

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

Holding a Criminal Term

Grand Jury Sworn in on January 28, 1987

UNITED STATES OF AMERICA

v.

JOHN M. POINDEXTER,
OLIVER L. NORTH,
RICHARD V. SECORD, and
ALBERT HAKIM,

Defendants.

: Criminal No.

:

: Grand Jury Original

:

: Violations:

: 18 U.S.C. § 371;

: 18 U.S.C. § 641;

: 18 U.S.C. § 1343;

: 18 U.S.C. § 1505;

: 18 U.S.C. § 1001;

: 18 U.S.C. § 2071(b);

: 18 U.S.C. § 201(f)

and (g);

: 18 U.S.C. § 1503;

: 18 U.S.C. § 654;

: 18 U.S.C. § 2.

:

: (Conspiracy; Theft of
: Government Property; Wire
: Fraud; Obstruction of
: Inquiries and
: Proceedings; False
: Statements; Falsifi-
: cation, Destruction
: and Removal of Documents;
: Offer, Payment and
: Receipt of Gratuities;
: Obstruction of Justice;
: Conversion of Property of
: Another by Government
: Official; Aiding and
: Abetting)

I N D I C T M E N T

COUNT ONE

(Conspiracy by POINDEXTER, NORTH, SECORD and HAKIM)

The Grand Jury charges:

INTRODUCTION

1. At all times relevant to this Indictment, the National Security Council (the "NSC") was a government entity established by the National Security Act of 1947, whose statutory members were the President of the United States, the Vice President, the Secretary of State and the Secretary of Defense. At all times relevant to this Indictment, other officials were also members of the NSC by appointment of the President. The function of the NSC was to advise the President on the integration of domestic, foreign and military policies relating to the national security, to facilitate cooperation among the military services and other departments and agencies of the government in matters involving the national security, and to review, guide and direct foreign intelligence and covert action activities. The Assistant to the President for National Security Affairs (the "National Security Advisor") was responsible for developing, coordinating and implementing national security policy as approved by the President, as well as for staffing and administering the NSC. The staff of the NSC was appointed to perform such duties as might be prescribed by the NSC in connection with the performance of its functions.

The staff of the NSC had offices located in the Old Executive Office Building ("OEOB"), Washington, D.C.

2. At all times relevant to this Indictment, intelligence activities undertaken by the United States were subject to the restrictions and limitations contained in Executive Order 12333, promulgated by the President on December 4, 1981, which, in part, prohibited any United States Government agency, except the Central Intelligence Agency (the "CIA"), from conducting covert actions without a determination by the President that the agency other than the CIA was more likely to achieve a particular objective. Executive Order 12333 also provided that the NSC "shall act as the highest Executive Branch entity that provides review of, guidance for and direction to the conduct of all national foreign intelligence, counterintelligence, and special activities, and attendant policies and programs." On January 18, 1985, the President signed National Security Decision Directive 159, which required that the President specifically approve by a written finding all covert actions undertaken by any United States Government agency or entity.

3. At all times relevant to this Indictment, the Contras were military insurgents engaged in military and paramilitary operations in Nicaragua.

4. From in or about December 1981 to on or about October 12, 1984, the United States Government, acting principally through the CIA, pursuant to written presidential

findings, provided the Contras with financial support, arms and military equipment, as well as instruction, tactical and other advice, coordination, intelligence and guidance. During fiscal year 1984, Public Law 98-212 prohibited the CIA, the Department of Defense and any other agency or entity of the United States involved in intelligence activities from obligating or expending more than \$24 million for direct or indirect support of military or paramilitary operations in Nicaragua. These funds were almost entirely obligated by June 1984.

5. On October 12, 1984, Public Law 98-473 was enacted and expressly prohibited the use of funds available to certain agencies and entities of the United States from being obligated or expended in support of military or paramilitary operations in Nicaragua, stating in relevant part:

During fiscal year 1985, no funds available to the Central Intelligence Agency, the Department of Defense, or any other agency or entity of the United States involved in intelligence activities may be obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual.

This provision of the law was commonly known as the Boland Amendment.

6. Although the Boland Amendment was modified twice, agencies and entities of the United States involved in intelligence activities were at all times between October 12,

1984 and October 17, 1986 prohibited from spending funds available to them (including, without limitation, funds for salaries and transportation) to provide lethal military or paramilitary supplies to the Contras or to participate in the planning or execution of military or paramilitary operations in Nicaragua. At no time during this period was any member of the NSC staff authorized by a presidential finding to undertake any covert or special activities with respect to Nicaragua, including any of the covert or special activities previously undertaken by the CIA. As of October 18, 1986, the provision by the CIA of military aid to the Contras was authorized again pursuant to new enactment and appropriation.

7. Beginning with the overthrow of the Shah of Iran on or about January 16, 1979 and the seizure of the United States embassy in Iran and its staff on November 4, 1979, relations between the United States Government and the government of Iran were characterized by mutual hostility and tension. At all times relevant to this Indictment, the United States Government imposed an embargo on shipments of arms to Iran. In January 1984, the Secretary of State designated Iran a sponsor of international terrorism and, thereafter, the United States actively urged its allies not to permit the shipment of arms to Iran, in part, because of its sponsorship of international terrorism and in part, because of the continuation of the Iran-Iraq war.

8. As of June 1985, seven American citizens, who had been kidnapped by terrorists in Lebanon, were being held hostage.

THE DEFENDANTS

9. At all times relevant to this Indictment until November 25, 1986, the defendant JOHN M. POINDEXTER was an officer in the United States Navy who was detailed to the NSC. From October 17, 1983 to December 4, 1985, the defendant POINDEXTER held the position of Deputy Assistant to the President for National Security Affairs and assisted Robert C. McFarlane, the National Security Advisor, in the supervision and direction of the NSC staff. On December 4, 1985, the defendant POINDEXTER succeeded McFarlane as National Security Advisor. The defendant POINDEXTER held that position until November 25, 1986, when he resigned. The defendant POINDEXTER assumed the title of Vice Admiral on December 24, 1984. At all times relevant to this Indictment after May 15, 1985, the defendant POINDEXTER held the rank of Vice Admiral.

10. At all times relevant to this Indictment until November 25, 1986, the defendant OLIVER L. NORTH was a Lieutenant Colonel in the United States Marine Corps detailed to the NSC staff, where he held the position of Deputy Director, Political-Military Affairs. Among other things, the defendant NORTH was designated to perform certain activities with respect to the Contras, counter-terrorism, and the United States initiative involving the sale of arms to elements in

Iran and efforts to obtain the release of American citizens held hostage in Lebanon. In connection with these activities, the defendant NORTH from time to time used aliases, including "William Goode" and "Mr. Green." On November 25, 1986, the defendant NORTH was discharged from the NSC staff.

11. At all times relevant to this Indictment, the defendant RICHARD V. SECORD was President of Stanford Technology Trading Group International ("STTGI"), with offices located in Vienna, Virginia. From September 11, 1975 to July 11, 1978, the defendant SECORD, while on active duty in the United States Air Force, served as Chief of the Air Force Section of the United States Military Assistance Advisory Group in Iran. From April 13, 1981 to April 30, 1983, the defendant SECORD served as Deputy Assistant Secretary of Defense for International Security Affairs. When he retired from active duty in the Air Force on May 1, 1983, the defendant SECORD held the rank of Major General. Beginning in the fall of 1984, the defendant SECORD undertook to provide supplies, including lethal military supplies, to the Contras. Beginning in the fall of 1985, the defendant SECORD also undertook to assist in the transfer of weapons to Iran on behalf of the United States in an initiative involving the sale of arms to elements in Iran and efforts to obtain the release of American citizens held hostage in Lebanon. In connection with these activities, the defendant SECORD from time to time used the aliases "Richard Copp" and "Major General Richard Adams."

12. At all times relevant to this Indictment, the defendant ALBERT HAKIM was the Chairman of the Board of Directors of STTGI. Beginning in the fall of 1984, the defendant HAKIM organized the corporate and financial arrangements for an effort to provide supplies, including lethal military supplies, to the Contras, and beginning in late 1985 or early 1986, the defendant HAKIM participated on behalf of the United States in an initiative involving the sale of arms to elements in Iran and efforts to obtain the release of American citizens held hostage in Lebanon. In connection with these activities, the defendant HAKIM from time to time used the aliases "Abe" and "Ibrahim Ibrahimian."

THE CONSPIRACY AND ITS OBJECTS

13. From the late spring or early summer of 1985 up to and including at least December 1986, in the District of Columbia and elsewhere, the defendants JOHN M. POINDEXTER, OLIVER L. NORTH, RICHARD V. SECORD and ALBERT HAKIM, together with others known and unknown to the Grand Jury, unlawfully, willfully and knowingly did combine, conspire, confederate and agree together and with each other:

(a) to defraud the United States:

(1) by impeding, impairing, defeating and obstructing the lawful governmental functions of the United States, including compliance with legal restrictions governing the conduct of military and covert

action activities and congressional control of appropriations and exercise of oversight for such activities, by deceitfully and without legal authorization organizing, directing and concealing a program to continue the funding of and logistical and other support for military and paramilitary operations in Nicaragua by the Contras, at a time when the prohibitions of the Boland Amendment and other legal restrictions on the execution of covert actions were in effect;

- (2) by depriving the Government of the United States of the honest and faithful services of employees free from conflicts of interest, corruption and self-dealing by deceitfully using the influence and position of the defendants JOHN M. POINDEXTER and OLIVER L. NORTH to generate funds, including funds from the sale by the Government of the United States of arms to elements in Iran, for the defendants RICHARD V. SECORD and ALBERT HAKIM, with the understanding that the defendants SECORD and HAKIM would, in turn, without governmental accountability place at the disposal of the defendants POINDEXTER and NORTH a portion of those funds for activities and projects designated by those government officials, including the support of military and paramilitary operations in Nicaragua by the Contras; and
- (3) by impeding, impairing, defeating and obstructing the lawful governmental functions of the

United States, by deceitfully exploiting for their own purposes and corrupting a United States Government initiative involving the sale of arms to elements in Iran, rather than pursuing solely the specified governmental objectives of the initiative, including the release of Americans being held hostage in Lebanon.

(b) to commit offenses against the United States, including:

(1) Violations of Title 18, United States Code, Section 641, Embezzling, Stealing and Converting United States Government Property, as alleged in Count Two of this Indictment;

(2) Violations of Title 18, United States Code, Section 1343, Wire Fraud, as alleged in Count Three of this Indictment;

(3) Violations of Title 18, United States Code, Section 1505, Obstructing Inquiries Being Conducted By Congress and the Attorney General Acting on Behalf of the President, as alleged in Counts Four, Eight through Ten, Thirteen and Fourteen of this Indictment;

(4) Violations of Title 18, United States Code, Section 1001, Making False and Misleading Statements to Government Agencies, including Committees of Congress and the Attorney General Acting on Behalf of the President, as alleged in Counts Five through Seven, Eleven, Twelve, and Fifteen of this Indictment;

(5) Violations of Title 18, United States Code, Section 2071, Falsifying, Removing and Destroying Official Documents of the United States, as alleged in Count Sixteen of this Indictment.

THE BACKGROUND OF THE CONSPIRACY

14. In the fall of 1984, the defendant OLIVER L. NORTH and others undertook through their governmental offices to continue and conceal various activities in support of the Contras.

15. Beginning in late 1984 and continuing thereafter through the middle of 1985, the defendant OLIVER L. NORTH gave military intelligence, advice and direction to the Contras, including military intelligence provided by agencies and entities involved in intelligence activities. To give such intelligence, advice and direction in a manner that would conceal the defendant NORTH's role in such activities, the defendant NORTH, on numerous occasions, utilized intermediaries as couriers to the Contras.

16. In order to continue activities in support of the Contras and to conceal those activities, the defendant OLIVER L. NORTH enlisted and utilized private individuals to provide lethal military weapons and supplies to the Contras.

17. In the second half of 1984, the defendant OLIVER L. NORTH arranged for the defendant RICHARD V. SECORD to obtain and sell military weapons and supplies to the Contras. The

defendant ALBERT HAKIM joined with the defendant SECORD in these activities.

18. The defendant OLIVER L. NORTH assisted the defendants RICHARD V. SECORD and ALBERT HAKIM in this effort by, among other things, facilitating contacts between the defendant SECORD and representatives of the Contras, including Adolfo Calero, a Contra leader.

19. Beginning in at least the fall of 1984, the defendant OLIVER L. NORTH ascertained the military requirements of the Contras, participated in the selection of military weapons and supplies for them and expedited and facilitated the purchase of these weapons and supplies by the Contras from the defendants RICHARD V. SECORD and ALBERT HAKIM.

20. From approximately January 1985 to approximately June 1985, the defendants RICHARD V. SECORD and ALBERT HAKIM, among others, obtained and sold to the Contras substantial amounts of military equipment, including automatic rifles, mortars and mortar rounds, anti-aircraft missiles and launchers, grenades and grenade launchers, recoilless rifles, machine guns and millions of rounds of ammunition.

21. From their sales of military equipment to the Contras, the defendants RICHARD V. SECORD and ALBERT HAKIM derived substantial revenues and profits, which they concealed by establishing and utilizing foreign corporations with Swiss bank accounts. Up until the spring of 1985, the principal

corporation utilized by the defendants SECORD and HAKIM was Energy Resources International S.A.

THE MEANS OF THE CONSPIRACY

22. Among the means by which the defendants JOHN M. POINDEXTER, OLIVER L. NORTH, RICHARD V. SECORD and ALBERT HAKIM and their co-conspirators would and did carry out the conspiracy were the following:

23. In or before the middle of 1985, the defendants OLIVER L. NORTH, RICHARD V. SECORD and ALBERT HAKIM and others commenced an enterprise (the "Enterprise") that was intended, among other things, to support military and paramilitary operations in Nicaragua by the Contras and to conduct covert action operations.

24. In the middle of 1985, the defendants OLIVER L. NORTH and RICHARD V. SECORD, through the Enterprise, took control and direction of the selection and provision of a significant portion of the lethal military weapons and supplies for the Contras. The defendants NORTH and SECORD informed certain Contra leaders that, thereafter, they would provide the Contras with lethal military weapons and supplies instead of funds with which to purchase such weapons and supplies. Thereafter, the defendants NORTH and SECORD established a clandestine supply network to support military and paramilitary operations in Nicaragua by the Contras and, among other things, undertook to

enable the Contras to engage in military operations in southern Nicaragua (the "southern front").

25. Beginning in or before the middle of 1985, the defendant ALBERT HAKIM, acting in coordination with the defendants OLIVER L. NORTH and RICHARD V. SECORD, provided and oversaw a clandestine financial infrastructure for the Enterprise by making available to the Enterprise the foreign corporations and Swiss bank accounts already under his control and by creating additional foreign corporations and opening additional Swiss bank accounts. The principal corporation utilized thereafter by the Enterprise was Lake Resources Inc. ("Lake Resources"). In July 1985, the defendant HAKIM caused a bank account in the name of Lake Resources to be opened at the Credit Suisse Bank in Geneva, Switzerland. By November 1986, the financial network of the Enterprise also included the following foreign corporations with foreign bank accounts: Hyde Park Square Corp., Dolmy Business Inc., Albon Values Corp., Gulf Marketing Consultants Ltd., Toyco Inc., Udall Research Corp. and Defex S.A.

26. By late 1985, the defendant OLIVER L. NORTH had advised the defendant JOHN M. POINDEXTER of aspects of the Enterprise's operation.

27. From the late spring or early summer of 1985 through November 1986, the defendant RICHARD V. SECORD, acting in coordination with the defendant OLIVER L. NORTH, directly and through others created and maintained a logistical

infrastructure for the Enterprise by, among other things, purchasing aircraft, recruiting and employing pilots, crews, and other individuals and arranging for the use of a military airfield and warehouse in a foreign country ("Country A"). The defendants NORTH and SECORD and those acting in concert with them concealed their role in creating and maintaining this infrastructure by, among other things, instructing the individuals they had recruited not to reveal the participation of the defendants NORTH and SECORD in these activities and the use of intervening corporate entities.

28. From the late spring or early summer of 1985 through November 1986, the defendant OLIVER L. NORTH and others took steps to assist the Contras in opening the southern front, in part by secretly obtaining the assistance of an official of the CIA stationed in Costa Rica. Together with that official of the CIA, and in order to conceal their participation in these activities, the defendant NORTH enlisted an individual and utilized Udall Research Corp., a Panamanian corporation, to acquire land in Costa Rica and construct an airstrip there for use in connection with the delivery of military weapons and supplies to the southern front.

29. From late 1985 through November 1986, the Enterprise, under the direction of the defendants OLIVER L. NORTH and RICHARD V. SECORD, purchased and delivered hundreds of thousands of pounds of lethal military weapons and supplies to Central America for use in Nicaragua by the Contras.

30. From 1985 to November 1986, the defendant OLIVER L. NORTH acted as a fundraiser for the Contras and for the Enterprise by soliciting and obtaining funds from various sources purportedly for the Contras, directing a part of those funds to the Contras, and directing a substantial part of those funds to bank accounts in the control of the Enterprise to be expended by the defendants RICHARD V. SECORD and ALBERT HAKIM in coordination with the defendant NORTH.

31. In the spring and early summer of 1985, in order to fund the Enterprise, the defendant OLIVER L. NORTH began raising money through the National Endowment for the Preservation of Liberty ("NEPL") by, among other things, arranging meetings with officers of and potential contributors to NEPL and others participating in soliciting contributions for lethal military and other supplies for the Contras.

32. From the fall of 1985 to December 1986, the defendant OLIVER L. NORTH controlled the disposition of funds raised for the Contras through NEPL.

33. In order to conceal the role of the defendant OLIVER L. NORTH in controlling the disposition of the funds raised through NEPL, the defendant NORTH arranged for such monies to be transferred from NEPL through an intermediary entity to foreign corporate bank accounts under his control in the Cayman Islands and Switzerland. Between approximately June 1, 1985 and November 25, 1986, the defendant NORTH and others in concert with him raised approximately \$3.2 million through

NEPL, of which approximately \$1.7 million was transferred at the direction of the defendant NORTH to the bank account of Lake Resources, thereby placing such funds at the disposal of the Enterprise.

34. Of the \$3.2 million raised through NEPL by the defendant OLIVER L. NORTH and others in concert with him purportedly for the Contras, the defendant NORTH directed that various amounts be paid to various individuals and entities for purposes of the Enterprise, including over \$200,000 for the benefit of Mousalreza Abrahim Zadeh, a/k/a "Prince Al-Masoudi," \$75,000 for the Institute for Terrorism and Subnational Conflict to provide compensation and employment for the defendant NORTH's associate, Robert W. Owen, and \$450,000 for World Affairs Counselors, Inc., an entity in the Cayman Islands, in compensation for the assistance of certain individuals in raising funds for the Enterprise and transferring those funds through foreign and domestic bank accounts.

35. From late 1985 to November 1986, the defendants JOHN M. POINDEXTER, OLIVER L. NORTH, RICHARD V. SECORD and ALBERT HAKIM, in order to raise additional funds for the Enterprise, used the influence and position of the defendants POINDEXTER and NORTH in exploiting and corrupting a United States Government initiative involving the sale of arms to elements in Iran and efforts to obtain the release of American citizens held hostage in Lebanon, by secretly and deceptively generating

and diverting millions of dollars from the proceeds of those arms sales to Enterprise bank accounts to be spent, with the knowledge and approval of the defendant JOHN M. POINDEXTER, for various purposes designated by the defendants NORTH, SECORD and HAKIM, including the purchase and delivery of military weapons and supplies for the Contras.

36. In the last half of 1985, the government of Israel undertook an initiative to Iran, under which the government of Israel transferred to Iran approximately 500 TOW missiles originally obtained from the United States. In November 1985, with the knowledge and approval of the defendant JOHN M. POINDEXTER, the defendant OLIVER L. NORTH undertook to assist and coordinate an arms shipment of Hawk missiles to Iran by the government of Israel, as part of its initiative to Iran. In doing so, he secured the assistance of the defendant RICHARD V. SECORD.

37. In order to hire aircraft to transport several shipments of Hawk missiles to Iran, the defendant OLIVER L. NORTH caused approximately \$1 million from certain Israeli participants in the transaction to be deposited into the bank account of Lake Resources, a bank account used and controlled by the Enterprise to finance the purchase and delivery of weapons and supplies for the Contras. After all of the shipments of Hawk missiles to Iran, except the first, were cancelled, the Enterprise's account, Lake Resources, was left with an unused balance of several hundred thousand dollars.

38. In December 1985, certain of the conspirators caused thousands of pounds of lethal military supplies to be transported to Central America for use by the Contras.

39. On January 17, 1986, the defendant JOHN M. POINDEXTER orally briefed the President from a memorandum prepared by the defendant OLIVER L. NORTH, after which the President signed a finding authorizing the sale of arms by the United States Government to elements in Iran in support of a United States initiative to establish a more moderate government in Iran, to obtain intelligence relating to Iran, and to secure the release of American hostages held in Lebanon.

40. In January 1986, the defendants JOHN M. POINDEXTER and OLIVER L. NORTH arranged for the defendant RICHARD V. SECORD, and through him the Enterprise, to assist the United States initiative to Iran by acting as an agent and intermediary of the United States Government, under the direction of the defendants POINDEXTER and NORTH, to receive for the United States funds in payment of the weapons to be shipped to Iran, to transmit funds to the CIA and to transport weapons from the United States to Iran. By selecting the defendant SECORD, and through him the Enterprise, to participate in the United States initiative, the defendants POINDEXTER and NORTH created circumstances under which the Enterprise would be able secretly to control the proceeds from the sale of arms to elements in Iran and divert a substantial part of such proceeds into the financial network of the

Enterprise subject to further direction by the defendants POINDEXTER and NORTH, thereby depriving the United States of the honest and faithful services of employees free from conflicts of interest, corruption and self-dealing.

41. In January 1986, as part of the United States initiative, the defendant OLIVER L. NORTH negotiated on behalf of the United States with a representative of elements in Iran the transfer of 4,000 TOW missiles to Iran at a price of \$10,000 per TOW missile, with 1,000 of the 4,000 TOW missiles to be delivered in a first installment. At the same time, the defendant NORTH directed the representative of the Iranians to deposit the \$10 million payment for the first 1,000 TOW missiles into the Enterprise's secret Swiss bank account -- Lake Resources, the same bank account then used to finance the Contra resupply operation. The defendant NORTH also advised the defendant JOHN M. POINDEXTER that the representative of the Iranians had offered to pay \$10,000 per missile.

42. In early 1986, the defendants OLIVER L. NORTH and RICHARD V. SECORD agreed to retain for the Enterprise a substantial part of the \$10 million payment for the first shipment of TOW missiles by having the defendant SECORD transmit to the United States through the CIA substantially less than was paid for these missiles on behalf of the Iranians. In furtherance of this plan, the defendant NORTH told an official of the CIA that a price of \$6,000 per TOW missile was too high and should be reduced, without revealing

Enterprise subject to further direction by the defendants POINDEXTER and NORTH, thereby depriving the United States of the honest and faithful services of employees free from conflicts of interest, corruption and self-dealing.

41. In January 1986, as part of the United States initiative, the defendant OLIVER L. NORTH negotiated on behalf of the United States with a representative of elements in Iran the transfer of 4,000 TOW missiles to Iran at a price of \$10,000 per TOW missile, with 1,000 of the 4,000 TOW missiles to be delivered in a first installment. At the same time, the defendant NORTH directed the representative of the Iranians to deposit the \$10 million payment for the first 1,000 TOW missiles into the Enterprise's secret Swiss bank account -- Lake Resources, the same bank account then used to finance the Contra resupply operation. The defendant NORTH also advised the defendant JOHN M. POINDEXTER that the representative of the Iranians had offered to pay \$10,000 per missile.

42. In early 1986, the defendants OLIVER L. NORTH and RICHARD V. SECORD agreed to retain for the Enterprise a substantial part of the \$10 million payment for the first shipment of TOW missiles by having the defendant SECORD transmit to the United States through the CIA substantially less than was paid for these missiles on behalf of the Iranians. In furtherance of this plan, the defendant NORTH told an official of the CIA that a price of \$6,000 per TOW missile was too high and should be reduced, without revealing

that the Iranian representative had already offered to pay \$10,000 per missile. Thereafter, the price to be paid to the CIA was reduced to approximately \$3,469 per TOW missile, for a total of \$3.7 million for 1,000 TOW missiles, including costs.

43. In February 1986, one of the Enterprise's bank accounts, Lake Resources, received \$10 million in payment on behalf of Iran for the 1,000 TOW missiles pursuant to the agreement with the representative of elements in Iran negotiated by the defendant OLIVER L. NORTH on behalf of the United States.

44. In February 1986, certain of the conspirators, in turn, directed that only approximately \$3.7 million be transmitted to the CIA, thus leaving a remainder of over \$6 million in the Enterprise account. At that time, the United States Government shipped 1,000 TOW missiles to Iran. Certain of the conspirators caused substantial sums of money from Enterprise bank accounts to be spent to purchase and deliver military weapons and supplies for the Contras. The defendants RICHARD V. SECORD and ALBERT HAKIM also caused funds to be transferred to Swiss investment accounts under the control of the defendants SECORD and HAKIM for their personal benefit.

45. In early March 1986, certain of the conspirators caused thousands of pounds of lethal military supplies to be delivered to Central America for the Contras.

46. In April 1986, certain of the conspirators caused

thousands of pounds of lethal military supplies to be delivered to Central America for the Contras.

47. In the spring of 1986, as part of the continuing United States initiative, pursuant to the activities of the defendants JOHN M. POINDEXTER and OLIVER L. NORTH, the United States Government agreed to sell Hawk missile spare parts to elements in Iran at a total price of \$15 million. The defendant NORTH, among other things, directed his assistant to calculate the price to be charged the Iranian representative for the Hawk spare parts by multiplying by a factor of 3.7 the prices for those spare parts contained in a United States Government price list.

48. In May 1986, at the defendant OLIVER L. NORTH's direction, \$15 million was deposited on behalf of elements in Iran into an Enterprise bank account. At about the same time, an Enterprise bank account received \$1.46 million from other sources. Thereafter, certain of the conspirators caused only \$6.5 million to be transmitted to the United States through the CIA for the Hawk spare parts for Iran and TOW missiles for Israel to replenish Israel for its transfer of TOW missiles to Iran in August and September 1985, thus leaving a remainder of almost \$10 million in the bank accounts of the Enterprise. The defendant NORTH then advised the defendant JOHN M. POINDEXTER that a substantial amount was available for the support of the Contras. The defendants JOHN M. POINDEXTER, OLIVER L. NORTH and RICHARD V. SECORD caused the United States Government to

ship the agreed upon Hawk missile spare parts to Israel for eventual delivery to Iran. Certain of the conspirators caused substantial sums of money from Enterprise bank accounts to be spent to purchase and deliver military weapons and supplies for the Contras. The defendants RICHARD V. SECORD and ALBERT HAKIM also caused funds from such accounts to be transferred to Swiss investment accounts under their control for the personal benefit of the defendants SECORD and HAKIM.

49. In May 1986, certain of the conspirators caused thousands of pounds of arms to be delivered to Central America for the Contras.

50. In October and November 1986, as part of the continuing United States initiative, the defendants JOHN M. POINDEXTER, OLIVER L. NORTH and RICHARD V. SECORD caused the United States Government to ship 500 TOW missiles to Iran at a total price of \$3.6 million. Pursuant to the agreement negotiated on behalf of the United States Government, the Iranian representatives paid into an Enterprise bank account approximately \$3.6 million in payment for the missiles. Certain of the conspirators, in turn, caused only approximately \$2.037 million to be transmitted to the United States through the CIA, thus leaving a remainder of approximately \$1.5 million in the bank account of the Enterprise. The 500 TOW missiles were then delivered.

51. From approximately January 1986 to November 1986, the defendants OLIVER L. NORTH, RICHARD V. SECORD and ALBERT HAKIM,

with the knowledge and approval of the defendant JOHN M. POINDEXTER, participated on behalf of the United States in numerous meetings with the Iranian representatives at which they discussed and negotiated various aspects of the initiative, thereby generating funds in the bank accounts of the Enterprise to be used, among other things, to support activities and projects designated by themselves rather than pursuing solely the specified governmental objectives of the Iran initiative, including the release of American citizens held hostage in Lebanon, free from conflicts of interest, corruption and self-dealing.

52. From the second half of 1985 to at least December 1986, the defendants RICHARD V. SECORD and ALBERT HAKIM followed the direction of the defendant OLIVER L. NORTH, with the knowledge and approval of the defendant JOHN M. POINDEXTER, as to the expenditure of part of the funds in the possession of the Enterprise. Those expenditures included the provision of military weapons and supplies to the Contras, the payment of at least \$200,000 on behalf of Contra leaders, the purchase for approximately \$100,000 of radios for a foreign political group, the provision of a substantial amount of cash for purported efforts by agents of the United States Drug Enforcement Administration to obtain information regarding American hostages in Lebanon and the purchase for approximately \$320,000 of a ship to be used for various clandestine activities.

53. From 1985 to at least December 1986, to conceal and cover up their personal enrichment, the expenditure by the Enterprise of funds on behalf of the Contras and the participation of government officials in the operations of the Enterprise, the defendants RICHARD V. SECORD and ALBERT HAKIM generated large amounts of untraceable cash through which they distributed funds of the Enterprise. In addition, during that same period, the defendant OLIVER L. NORTH utilized large amounts of cash and traveler's checks for purposes of the Enterprise.

54. In June 1986, in a further effort to raise funds for the Enterprise, the defendant OLIVER L. NORTH attempted to divert to the Enterprise a \$10 million contribution from Brunei intended for humanitarian aid to the Contras by undertaking to supply an official of the Department of State with the bank account number of Lake Resources instead of the number of a Contra bank account, which the official had requested.

55. From August 1985 through November 1986, in order to conceal and cover up their illegal activities and to perpetuate the scheme, the conspirators, including the defendants JOHN M. POINDEXTER and OLIVER L. NORTH, deceived Congress and committees of Congress by making false, fictitious, fraudulent and misleading statements and representations, concerning, among other things, the involvement of officials of the United States, including members of the NSC staff, in support of the

military and paramilitary operations in Nicaragua by the Contras at a time when the Boland Amendment was in effect.

56. From early November 1986 to November 21, 1986, to conceal and cover up their illegal activities, the defendant JOHN M. POINDEXTER made false and misleading statements to Congress and committees of Congress with respect to the government-sponsored Iran initiative and the sale of arms to elements in Iran, and certain of the conspirators caused to be drafted, in anticipation of appearances before committees of Congress by the defendant POINDEXTER and William J. Casey, the Director of the CIA, a false and misleading chronology with respect to the United States initiative to Iran and the sale of arms to elements in Iran.

57. In November 1986, to conceal and cover up the conspirators' illegal activities, the defendants JOHN M. POINDEXTER and OLIVER L. NORTH altered, destroyed, removed and caused to be altered, destroyed and removed official and other documents and records and copies of official and other documents and records, including classified documents and records of the NSC and the staff of the NSC.

58. In late November 1986, to conceal and cover up the conspirators' illegal activities, the defendant OLIVER L. NORTH made false and misleading statements to the Attorney General, who was conducting a fact-finding inquiry on behalf of the President.

OVERT ACTS

59. The following overt acts, among others, were knowingly committed and caused to be committed, in the District of Columbia and elsewhere, by the defendants JOHN M. POINDEXTER, OLIVER L. NORTH, RICHARD V. SECORD and ALBERT HAKIM and their co-conspirators in furtherance of the conspiracy and to effect the objects thereof:

(1) On June 28, 1985, in Miami, Florida, the defendants OLIVER L. NORTH and RICHARD V. SECORD met with, among others, Adolfo Calero and Enrique Bermudez, the Contras' military commandant.

(2) In July 1985, the defendant ALBERT HAKIM caused a bank account to be opened in Geneva, Switzerland, in the name of Lake Resources.

(3) On July 9, 1985, at the Hay-Adams Hotel, Washington, D.C., the defendant OLIVER L. NORTH met with Carl R. Channell, the President of NEPL, Daniel L. Conrad, an employee of NEPL, and Richard R. Miller, a principal in a public relations firm located in Washington, D.C., known as International Business Communications ("IBC").

(4) In or about August 1985, in Vienna, Virginia, the defendant RICHARD V. SECORD met with Richard Gadd, a retired Colonel in the United States Air Force, to discuss providing weapons and supplies to the Contras.

(5) In August 1985, in Washington, D.C., the defendant OLIVER L. NORTH directed Robert W. Owen to travel to

Central America to discuss with United States officials the building of an airstrip in Costa Rica.

(6) On August 31, 1985, the defendant JOHN M. POINDEXTER sent a message to the defendant OLIVER L. NORTH on one of the NSC computer systems which allowed the defendant NORTH thereafter to utilize that computer system to communicate directly with the defendant POINDEXTER without going through the NSC's Executive Secretary.

(7) In late August or early September 1985, in Washington, D.C., the defendant OLIVER L. NORTH made representations to the counsel for the President's Intelligence Oversight Board.

(8) On September 5, 1985, in Washington, D.C., the defendant OLIVER L. NORTH caused certain misrepresentations to be made in a letter sent to the Chairman of the House of Representatives Permanent Select Committee on Intelligence.

(9) On September 11, 1985, in Dallas, Texas, the defendant OLIVER L. NORTH met with Carl R. Channell, Daniel L. Conrad and Nelson Bunker Hunt, a contributor to NEPL.

(10) On September 12, 1985, in Washington, D.C., the defendant OLIVER L. NORTH caused certain misrepresentations to be made in a letter sent to the Chairman of the House of Representatives Committee on Foreign Affairs Subcommittee on Western Hemisphere Affairs.

(11) On or about September 20, 1985, in Washington, D.C., the defendant OLIVER L. NORTH caused Richard R. Miller to

transfer \$130,000 in NEPL funds from the bank account of IBC in Washington, D.C., to the bank account of Lake Resources in Geneva, Switzerland.

(12) On September 20, 1985, the defendant OLIVER L. NORTH sent a letter to Felix Rodriguez, a/k/a "Max Gomez," in Miami, Florida.

(13) On or about September 26, 1985, in Washington, D.C., the defendant OLIVER L. NORTH caused Richard R. Miller to transfer \$100,000 in NEPL funds from IBC to the bank account in the Cayman Islands of I.C. Inc., an entity controlled by Richard R. Miller, which funds were transferred subsequently to the bank account of Lake Resources in Geneva, Switzerland, at the direction of the defendant NORTH.

(14) In September 1985, in Vienna, Virginia, the defendants OLIVER L. NORTH and RICHARD V. SECORD met with William Haskell, a/k/a "Robert Olmsted."

(15) In October 1985, the defendants OLIVER L. NORTH and RICHARD V. SECORD caused William Haskell, a/k/a "Robert Olmsted," to meet with a United States official in San Jose, Costa Rica.

(16) On October 7, 1985, in Washington, D.C., the defendant OLIVER L. NORTH caused certain misrepresentations to be made in an enclosure to a letter sent to the Chairman of the House of Representatives Permanent Select Committee on Intelligence.

(17) On October 17, 1985, at the OEOB, Washington, D.C., the defendant OLIVER L. NORTH presented a briefing relating to Nicaragua for prospective contributors to NEPL.

(18) On or about November 1, 1985, in Washington, D.C., the defendant OLIVER L. NORTH caused Richard R. Miller to transfer \$150,000 in NEPL funds from the bank account of I.C. Inc. in the Cayman Islands to the bank account of Lake Resources in Geneva, Switzerland.

(19) From November 20, 1985 to November 22, 1985, in Washington, D.C., the defendant OLIVER L. NORTH sent a series of messages to the defendant JOHN M. POINDEXTER with respect to the shipment of Hawk missiles to Iran.

(20) In late November 1985, the defendant OLIVER L. NORTH caused \$1 million to be received in connection with the shipment of Hawk missiles to Iran to be deposited into the bank account of Lake Resources in Geneva, Switzerland.

(21) On November 21, 1985, at the OEOB, Washington, D.C., the defendant OLIVER L. NORTH presented a briefing relating to Nicaragua for prospective contributors to NEPL.

(22) In December 1985, the defendant RICHARD V. SECORD caused thousands of pounds of lethal military supplies to be transported from Lisbon, Portugal, to an airfield in Country A.

(23) On December 9, 1985, in Washington, D.C., the defendant OLIVER L. NORTH prepared a memorandum for the defendant JOHN M. POINDEXTER suggesting the possibility of

using the defendant RICHARD V. SECORD to transport weapons in connection with a United States initiative to Iran.

(24) On or about December 16, 1985, in Washington, D.C., the defendant OLIVER L. NORTH caused Richard R. Miller to transfer \$300,000 in NEPL funds from the bank account of IBC in Washington, D.C., to the bank account of Lake Resources in Geneva, Switzerland.

(25) In January 1986, the defendant OLIVER L. NORTH prepared a memorandum for the defendant JOHN M. POINDEXTER to the President in which the defendant POINDEXTER would seek the President's approval for a United States initiative to Iran.

(26) On January 15, 1986, in Washington, D.C., the defendant OLIVER L. NORTH sent messages to the defendant JOHN M. POINDEXTER advising him, among other things, that a representative of Iran had offered to pay to the United States \$10,000 per TOW missile.

(27) On January 17, 1986, in Washington, D.C., the defendant JOHN M. POINDEXTER met with the defendant RICHARD V. SECORD.

(28) On January 20, 1986, in Washington, D.C., the defendants JOHN M. POINDEXTER, OLIVER L. NORTH and RICHARD V. SECORD met with officials of the CIA.

(29) On or about January 21, 1986, in Washington, D.C., the defendant OLIVER L. NORTH caused Richard R. Miller to transfer \$360,000 in NEPL funds from the bank account of I.C.

Inc. in the Cayman Islands to the bank account of Lake Resources in Geneva, Switzerland.

(30) Beginning in January 1986, in Washington, D.C., the defendant OLIVER L. NORTH obtained certain secure communications devices belonging to an intelligence agency of the United States Government.

(31) In January or February 1986, in San Jose, Costa Rica, the defendant OLIVER L. NORTH caused a secure communications device to be delivered to a United States official assigned to Costa Rica to be used by the official in assisting the Contras.

(32) On January 22, 1986, in London, England, the defendants OLIVER L. NORTH and RICHARD V. SECORD met with a representative of Iran to discuss, among other things, the price of TOW missiles to be sold to elements in Iran.

(33) In late January 1986, in Washington, D.C., the defendant OLIVER L. NORTH discussed the price of TOW missiles with an official of the CIA.

(34) On February 7-10, 1986, the defendants OLIVER L. NORTH and RICHARD V. SECORD caused \$10 million for the purchase of 1,000 TOW missiles by elements in Iran from the United States to be deposited into the bank account of Lake Resources in Geneva, Switzerland.

(35) On February 10-11, 1986, the defendants OLIVER L. NORTH, RICHARD V. SECORD and ALBERT HAKIM caused \$3.7 million to be transmitted from the bank account of Lake

Resources in Geneva, Switzerland, to a bank account of the CIA for 1,000 TOW missiles purchased on behalf of Iran from the United States.

(36) During the last half of February 1986, in Washington, D.C., the defendants JOHN M. POINDEXTER, OLIVER L. NORTH and RICHARD V. SECORD caused 1,000 TOW missiles to be shipped from the United States to Iran.

(37) On or about February 25-26, 1986, in Frankfurt, Federal Republic of Germany, with the knowledge and approval of the defendant JOHN M. POINDEXTER, the defendants OLIVER L. NORTH, RICHARD V. SECORD and ALBERT HAKIM, acting as representatives of the United States Government, met with representatives of Iran and a representative of Israel to discuss the sale of United States arms to elements in Iran and other aspects of the Iran initiative.

(38) In March 1986, the defendant RICHARD V. SECORD caused thousands of pounds of lethal military supplies to be shipped from Lisbon, Portugal, to Central America.

(39) On March 27, 1986, at the OEOB, Washington, D.C., the defendant OLIVER L. NORTH presented a briefing relating to Nicaragua for prospective contributors to NEPL.

(40) On or about April 4-7, 1986, in Washington, D.C., the defendant OLIVER L. NORTH wrote a memorandum to the defendant JOHN M. POINDEXTER discussing the diversion to the Contras of proceeds from the sale of arms to elements in Iran.

(41) On or about April 11, 1986, the defendant OLIVER L. NORTH caused Richard R. Miller to transfer \$650,000 in NEPL funds from the bank account of I.C. Inc. in the Cayman Islands to the bank account of Lake Resources in Geneva, Switzerland.

(42) On or about April 11-12, 1986, in San Jose, Costa Rica, an official of the United States assisted in the delivery of weapons and supplies to the Contras' southern front.

(43) On April 12, 1986, in Washington, D.C., the defendant OLIVER L. NORTH received a message sent by a secure communications device from an official of the United States in Costa Rica identifying military objectives for the Contras' southern front.

(44) In April 1986, the defendant RICHARD V. SECORD caused thousands of pounds of lethal military supplies to be shipped from Lisbon, Portugal, to an airfield in Country A.

(45) On May 14, 1986, the defendants RICHARD V. SECORD and ALBERT HAKIM received \$10 million for the purchase of Hawk missile spare parts by Iran from the United States, deposited into the bank account of Lake Resources in Geneva, Switzerland.

(46) On May 14, 1986, the defendants RICHARD V. SECORD and ALBERT HAKIM caused \$10 million to be transferred from the bank account of Lake Resources in Geneva, Switzerland, to the bank account of Hyde Park Square Corp. in Geneva, Switzerland.

(47) On May 15, 1986, the defendants OLIVER L. NORTH, RICHARD V. SECORD and ALBERT HAKIM caused \$6.5 million to be transmitted from the bank account of Hyde Park Square Corp. in Geneva, Switzerland, to a bank account of the CIA.

(48) On May 16, 1986, the defendants RICHARD V. SECORD and ALBERT HAKIM received \$1.46 million deposited into the bank account of Lake Resources in Geneva, Switzerland.

(49) On May 16, 1986, the defendants RICHARD V. SECORD and ALBERT HAKIM received \$5 million for the purchase of Hawk missile spare parts by elements in Iran from the United States, deposited into the bank account of Lake Resources in Geneva, Switzerland.

(50) On May 16, 1986, in Washington, D.C., the defendant OLIVER L. NORTH sent a message to the defendant JOHN M. POINDEXTER advising him that \$6 million was available for immediate disbursement on behalf of the Contras.

(51) In late May 1986, the defendants JOHN M. POINDEXTER, OLIVER L. NORTH and RICHARD V. SECORD caused hundreds of Hawk missile spare parts and 508 TOW missiles to be shipped from San Antonio, Texas, for delivery to Iran and Israel, respectively.

(52) In late May 1986, the defendant RICHARD V. SECORD caused thousands of pounds of lethal military supplies to be shipped from Lisbon, Portugal, to an airfield in Country A.

(53) In June 1986, in Washington, D.C., the defendant OLIVER L. NORTH directed that the bank account number of Lake Resources be provided to an official of the Department of State.

(54) On July 21, 1986, in Washington, D.C., the defendant JOHN M. POINDEXTER caused letters to be sent to the Chairmen of the House of Representatives Committees on Foreign Affairs and Armed Services and the House of Representatives Permanent Select Committee on Intelligence.

(55) On July 29, 1986, the defendant OLIVER L. NORTH wrote a memorandum to the defendant JOHN M. POINDEXTER recommending that the defendant POINDEXTER obtain the President's approval for the shipment of Hawk missile spare parts which had not yet been delivered to Iran.

(56) On August 6, 1986, in Washington, D.C., the defendant OLIVER L. NORTH made representations to the House of Representatives Permanent Select Committee on Intelligence.

(57) On August 11, 1986, in Washington, D.C., the defendant JOHN M. POINDEXTER, having been advised of representations made by the defendant OLIVER L. NORTH in his August 6, 1986 meeting with the House of Representatives Permanent Select Committee on Intelligence, sent a message to the defendant NORTH stating, "Well done."

(58) In September 1986, the defendants OLIVER L. NORTH and RICHARD V. SECORD caused approximately six deliveries of lethal supplies to the Contras' southern front.

(59) On September 19-20, 1986, in Washington, D.C., and elsewhere, with the knowledge and approval of the defendant JOHN M. POINDEXTER, the defendants OLIVER L. NORTH, RICHARD V. SECORD and ALBERT HAKIM, acting as representatives of the United States Government, met with representatives of Iran to discuss the sale of United States weapons to elements in Iran and other aspects of the Iran initiative.

(60) On October 6-8, 1986, in Frankfurt, Federal Republic of West Germany, with the knowledge and approval of defendant JOHN M. POINDEXTER, the defendants OLIVER L. NORTH, RICHARD V. SECORD and ALBERT HAKIM, acting as representatives of the United States Government, met with representatives of Iran to discuss the sale of United States weapons to elements in Iran and other aspects of the Iran initiative.

(61) On October 27-30, 1986, in Mainz, Federal Republic of Germany, the defendants OLIVER L. NORTH, RICHARD V. SECORD and ALBERT HAKIM, acting as representatives of the United States Government, met with representatives of Iran to discuss the sale of United States weapons to elements in Iran and other aspects of the Iran initiative.

(62) On October 29, 1986, the defendants RICHARD V. SECORD and ALBERT HAKIM received \$3.6 million for the purchase of 500 TOW missiles by Iran from the United States, deposited into the bank account of Hyde Park Square Corp. in Geneva, Switzerland.

(63) On October 29, 1986, the defendants OLIVER L. NORTH, RICHARD V. SECORD and ALBERT HAKIM caused \$2.037 million to be transmitted from the bank account of Hyde Park Square Corp. in Geneva, Switzerland, to a bank account of the CIA for 500 TOW missiles purchased by Iran from the United States.

(64) In October and November 1986, the defendants JOHN M. POINDEXTER, OLIVER L. NORTH and RICHARD V. SECORD caused 500 TOW missiles to be shipped to Iran.

(65) On or about November 6, 1986, in Geneva, Switzerland, the defendants OLIVER L. NORTH, RICHARD V. SECORD and ALBERT HAKIM, acting as representatives of the United States Government, met with representatives of Iran to discuss the sale of United States weapons to Iran and other aspects of the Iran initiative.

(66) Between November 7, 1986 and November 20, 1986, in Washington, D.C., the defendants JOHN M. POINDEXTER and OLIVER L. NORTH participated in the preparation of a chronology of events relevant to the shipment of arms to Iran for use in testimony and appearances by officials of the Executive Branch before congressional committees.

(67) On November 21, 1986, in Washington, D.C., the defendant JOHN M. POINDEXTER made representations to the House of Representatives Permanent Select Committee on Intelligence and the Senate Select Committee on Intelligence.

(68) In November 1986, in Washington, D.C., the defendant OLIVER L. NORTH removed, altered, destroyed and

caused to be removed, altered and destroyed certain documents and other records of the NSC and its staff.

(69) On November 23, 1986, in Washington, D.C., the defendant OLIVER L. NORTH made representations to the Attorney General and other officials of the Department of Justice.

(70) Between November 22, 1986 and November 29, 1986, in Washington, D.C., the defendant JOHN M. POINDEXTER deleted from his file in the memory of one of the NSC computer systems all the stored messages contained in that system that had been sent or received by the defendant POINDEXTER.

(Violation of Title 18, United States Code,
Section 371.)

COUNT TWO

(Theft of Government Property by POINDEXTER,
NORTH, SECORD and HAKIM)

The Grand Jury further charges:

1. Paragraphs 1 through 12 and 35 through 52 of Count One of this Indictment are repeated, realleged and incorporated herein as if fully set forth in this Count.
2. From late 1985 to November 1986, in the District of Columbia and elsewhere, the defendants JOHN M. POINDEXTER, OLIVER L. NORTH, RICHARD V. SECORD and ALBERT HAKIM unlawfully, willfully and knowingly did embezzle, steal and convert to their own use and the use of others, and without authority did dispose of, money and things of value of the United States and a department and agency thereof, with a value of more than \$100, to wit, the defendants deceitfully and improperly generated and diverted part of the proceeds of the transfer of United States weapons to Iran, and diverted part of the realizable value of such weapons, for purposes unauthorized by law, including the provision of support for military and paramilitary operations in Nicaragua by the Contras, all of which was done by the defendants notwithstanding a written finding by the President which authorized the transfer of United States weapons to Iran only for the purposes of the Iran initiative as enumerated in the finding.

(Violation of Title 18, United States Code,
Sections 641 and 2.)

COUNT THREE

(Wire Fraud by POINDEXTER, NORTH, SECORD and HAKIM: Diversion of Proceeds of Sale of Arms to Iran)

The Grand Jury further charges:

1. Paragraphs 1 through 12 and 35 through 52 of Count One of this Indictment are repeated, realleged and incorporated by reference herein as though fully set forth at length.

2. From late 1985 to November 1986, in the District of Columbia and elsewhere, the defendants JOHN M. POINDEXTER, OLIVER L. NORTH, RICHARD V. SECORD and ALBERT HAKIM, and others known and unknown to the Grand Jury, unlawfully, willfully and knowingly did devise and intend to devise a scheme and artifice to defraud the United States and to obtain money and property by means of false and fraudulent pretenses, representations and promises and did execute and aid and abet the execution of this scheme and artifice to defraud.

3. It was a part of this scheme and artifice that the defendants and those acting in concert with them deceptively and improperly used the influence and position of the defendants JOHN M. POINDEXTER and OLIVER L. NORTH to generate funds, including funds from the sale by the Government of the United States of arms to elements in Iran, for the defendants RICHARD V. SECORD and ALBERT HAKIM with the understanding that the defendants SECORD and HAKIM would, in turn, without governmental accountability place at the disposal of the

defendants POINDEXTER and NORTH a portion of those funds for activities designated by the defendants POINDEXTER and NORTH, including the support of military and paramilitary operations in Nicaragua by the Contras.

4. It was a further part of this scheme and artifice that the defendants and those acting in concert with them deceitfully and improperly, in the implementation of the Iran initiative, generated and diverted part of the proceeds of the transfer of United States weapons to Iran, and diverted part of the realizable value of such weapons, for purposes unauthorized by law, including the provision of support for military and paramilitary operations in Nicaragua by the Contras.

5. It was a further part of this scheme and artifice that the defendants and those acting in concert with them exploited for their own purposes and corrupted a United States Government initiative involving the sale of arms to elements in Iran, rather than pursuing solely the specified governmental objectives of the initiative, including the release of Americans being held hostage in Lebanon.

6. From late 1985 to November 1986, in the District of Columbia and elsewhere, the defendants JOHN M. POINDEXTER, OLIVER L. NORTH, RICHARD V. SECORD and ALBERT HAKIM unlawfully, willfully and knowingly, for the purpose of executing and attempting to execute the above-described scheme and artifice, did transmit and cause to be transmitted by means of wire communication in interstate and foreign commerce, certain

writings, signs, signals, pictures and sounds, to wit,
numerous wire transfers of funds into and out of the bank
accounts of Lake Resources and Hyde Park Square Corp. in
Geneva, Switzerland, certain secure communications
transmissions between Washington, D.C., and elsewhere, and
certain telephone communications between Washington, D.C., and
elsewhere.

(Violation of Title 18, United States Code,
Sections 1343 and 2.)

COUNT FOUR

(Obstruction of Congress by NORTH
in September and October 1985)

The Grand Jury further charges:

1. Paragraphs 1 through 12 of Count One of this Indictment are repeated, realleged and incorporated herein as if fully set forth in this Count.

2. On August 16 and 20, 1985, after the publication of reports in the press alleging improper and illegal activities on behalf of the Contras by members of the NSC staff, the Chairman of the House of Representatives Subcommittee on Western Hemisphere Affairs of the Committee on Foreign Affairs and the Chairman of the House of Representatives Permanent Select Committee on Intelligence ("HPSCI") each wrote letters on behalf of their Committees to Robert C. McFarlane in McFarlane's capacity as National Security Advisor.

3. On or before September 5 and 12, 1985, the defendant OLIVER L. NORTH prepared responses to those letters which Robert C. McFarlane signed and transmitted in response to the Chairmen of the Committees.

4. On September 12, 1985, the Chairman of HPSCI, acting on behalf of the Committee, wrote another letter to McFarlane that enclosed additional written questions, submitted by members of the Committee, about the activities of the defendant OLIVER L. NORTH in support of the Contras.

5. On or before October 7, 1985, the defendant OLIVER L. NORTH prepared responses to the Committee's questions for Robert C. McFarlane to transmit to the Chairman of HPSCI and which McFarlane did in fact transmit.

6. In September and October 1985, in the District of Columbia, the defendant OLIVER L. NORTH unlawfully, willfully and knowingly did corruptly influence, obstruct and impede and endeavor to influence, obstruct and impede the due and proper exercise of the power of inquiry under which inquiries and investigations were being had by committees of Congress, to wit, HPSCI and the House of Representatives Subcommittee on Western Hemisphere Affairs of the Committee on Foreign Affairs, into the participation of the NSC in the provision of aid and assistance to the Contras, by making and causing to be made false, fictitious, fraudulent and misleading statements and representations, as set forth more fully and underscored in Counts Five through Seven of this Indictment, for the purpose of concealing and causing to be concealed material facts.

(Violation of Title 18, United States Code,
Sections 1505 and 2.)

COUNT FIVE

(False Statements by
NORTH on September 5, 1985)

The Grand Jury further charges:

1. Paragraphs 1 through 12 of Count One and Paragraphs 2 through 5 of Count Four of this Indictment are repeated, realleged and incorporated by reference herein as if fully set forth in this Count.
2. On August 20, 1985, the Chairman of the House of Representatives Permanent Select Committee on Intelligence ("HPSCI") wrote a letter on behalf of the Committee to Robert C. McFarlane in McFarlane's capacity as National Security Advisor. The letter referred to press accounts of alleged activities by the NSC with respect to the Contras and requested, among other things, a full report on the activities of the NSC to support the Contras after the enactment of the Boland Amendment.
3. On or before September 5, 1985, the defendant OLIVER L. NORTH prepared a response for Robert C. McFarlane to transmit to the Chairman of HPSCI and which McFarlane did in substance transmit.
4. On or about September 5, 1985, in the District of Columbia, the defendant OLIVER L. NORTH unlawfully, willfully and knowingly did make and cause to be made material false, fictitious and fraudulent statements and representations, as underscored below, to a department and agency of the United

States, to wit, HPSCI, a committee of Congress, in a matter within its jurisdiction, to wit, intelligence aspects of United States policy and activities in Nicaragua, as follows:

This is in reply to your letter of August 20, 1985 in which you called attention to press reports of "... alleged activities by the National Security Council (staff) regarding the contras in Nicaragua ..." and asked for a full report and legal justification for any such activities. Like you, I take such charges very seriously and consequently have thoroughly examined the facts and all matters which in any remote fashion could bear upon these charges. From that review I can state with deep personal conviction that at no time did I or any member of the National Security Council staff violate the letter or spirit of the law....

* * *

It is equally important to stress what we did not do. We did not solicit funds or other support for military or paramilitary activities either from Americans or third parties. We did not offer tactical advice for the conduct of their military activities or their organization....

5. The underscored statements and representations were false, fictitious and fraudulent because in truth and in fact, as the defendant OLIVER L. NORTH then and there well knew and believed, among other things, the defendant NORTH and others at the NSC had solicited funds and other support for military and paramilitary activities of the Contras from Americans and third parties and had offered tactical advice for the conduct of the Contras' military activities and organization, including advice related to the destruction of helicopters, the placement in the field of Contra units, the opening of a southern front, and the creation of a new logistical operation to support the Contras.

(Violation of Title 18, United States Code,
Sections 1001 and 2.)

COUNT SIX

(False Statements by NORTH
on September 12, 1985)

The Grand Jury further charges:

1. Paragraphs 1 through 12 of Count One and Paragraphs 2 through 5 of Count Four of this Indictment are repeated, realleged and incorporated by reference herein as if fully set forth in this Count.
2. On August 16, 1985, the Chairman of the House of Representatives Subcommittee on Western Hemisphere Affairs of the Committee on Foreign Affairs wrote a letter, on behalf of the Subcommittee, to Robert C. McFarlane in McFarlane's capacity as National Security Advisor. The letter referred to "press reports detailing the activities of certain National Security Council staff members in providing advice and fundraising support to Nicaraguan rebel leaders" and requested "all information, including memoranda and any other documents, pertaining to any contact between Lt. Col. North and Nicaraguan rebel leaders as of enactment of the Boland Amendment in October, 1984."
3. On or before September 12, 1985, the defendant OLIVER L. NORTH prepared a response for Robert C. McFarlane to transmit to the Chairman of the Subcommittee and which McFarlane did in fact transmit.

4. On or about September 12, 1985, in the District of Columbia, the defendant OLIVER L. NORTH unlawfully, willfully and knowingly did make and cause to be made material false, fictitious and fraudulent statements and representations, as underscored below, to a department and agency of the United States, to wit, the House of Representatives Subcommittee on Western Hemisphere Affairs of the Committee on Foreign Affairs, a subcommittee of Congress, in a matter within its jurisdiction, to wit, United States policy toward Nicaragua, as follows:

This is in reply to your letter of August 16, regarding the activities of members of the NSC staff in connection with the Nicaraguan democratic resistance. Like you, I take these charges very seriously and consequently have thoroughly examined the facts and circumstances which could bear upon these charges in any fashion.

Based on this review, I want to assure you that my actions, and those of my staff, have been in compliance with both the spirit and the letter of the law....

* * *

Throughout, we have scrupulously abided by the spirit and the letter of the law. None of us has solicited funds, facilitated contacts for prospective potential donors, or otherwise organized or coordinated the military or paramilitary efforts of the resistance.

* * *

Mr. Chairman, like you, I am most concerned that at a time when humanitarian assistance is being extended to the UNO there be no misgivings as to the existence of any parallel efforts to provide, directly or indirectly, support for military or paramilitary activities in Nicaragua. There has not been, nor will there be, any such activities by the NSC staff....

5. The underscored statements and representations were false, fictitious and fraudulent because in truth and in fact, as the defendant OLIVER L. NORTH then and there well knew and believed, among other things, the defendant NORTH and others at the NSC had solicited funds from and facilitated contacts for prospective potential donors, including contributors to NEPL, had otherwise organized and coordinated the military and paramilitary efforts of the Contras by participating in plans to open a southern front and to create a new logistical operation to transport lethal weapons and supplies to the Contras, and had provided, directly and indirectly, support for military and paramilitary activities in Nicaragua.

(Violation of Title 18, United States Code,
Sections 1001 and 2.)

COUNT SEVEN

(False Statements by NORTH
on October 7, 1985)

The Grand Jury further charges:

1. Paragraphs 1 through 12 of Count One and Paragraphs 2 through 5 of Count Four of this Indictment are repeated, realleged and incorporated by reference herein as if fully set forth in this Count.
2. On September 12, 1985, having received the letter referred to in Count Five of this Indictment and having met with Robert C. McFarlane, the Chairman of HPSCI wrote another letter, on behalf of the Committee, to McFarlane enclosing a series of questions "concerning allegations about the activities of Lieutenant Colonel Oliver North."
3. On or before October 7, 1985, the defendant OLIVER L. NORTH prepared responses to the Committee's questions for Robert C. McFarlane to transmit to the Chairman of HPSCI and which McFarlane did in fact transmit.
4. On or about October 7, 1985, in the District of Columbia, the defendant OLIVER L. NORTH unlawfully, willfully and knowingly did make and cause to be made material false, fictitious and fraudulent statements and representations, as underscored below, to a department and agency of the United States, to wit, HPSCI, a committee of Congress, in a matter within its jurisdiction, to wit, intelligence aspects of United States policy and activities in Nicaragua, as follows:

(a) Q-- When the CIA had to withdraw from their day-to-day contact with the rebels, it has been alleged in the New York Times (8 Aug 85) that Colonel North tried to fill the void, partly through helping facilitate the supplying of logistics help. Did Colonel North, in his capacity as a staff member of the National Security Council, use his influence to facilitate the movement of supplies, either raised privately in this country or otherwise, to the contras?

A-- Lieutenant Colonel North did not use his influence to facilitate the movement of supplies to the resistance.

The underscored answer was false, fictitious and fraudulent because in truth and in fact, as the defendant NORTH then and there well knew and believed, among other things, the defendant NORTH had used his influence to facilitate the movement of supplies to the resistance, including encouraging the government of a foreign country ("Country B") to permit the export of anti-aircraft missiles to the Contras, encouraging the provision of increased United States aid to a foreign country ("Country C"), officials of which had provided false end-user certificates for military equipment for the Contras, encouraging the government of a foreign country ("Country D") to provide a multiple-entry visa for John K. Singlaub, writing a letter to Felix Rodriguez, a/k/a "Max Gomez," and participating in plans to open a southern front, build an airstrip in Costa Rica and create a new logistical operation to transport supplies to the Contras.

(b) Q-- Has Colonel North been the focal point within the NSC staff for handling contacts with private fund raising groups, such as the World Anti-Communist League and the Council for World Freedom headed by retired Major General John K. Singlaub?

A-- No.

The underscored answer was false, fictitious and fraudulent because in truth and in fact, as the defendant NORTH then and there well knew and believed, among other things, the defendant NORTH had been the focal point within the NSC staff for handling contacts with private groups raising funds for lethal military purposes, including the National Endowment for the Preservation of Liberty ("NEPL"), the United States Council for World Freedom, and the World Anti-Communist League.

(c) Q-- General Singlaub has stated (Washington Post, 9 Aug 85) that he would often talk to Colonel North and inform him what he was doing and then state that if it was a dumb idea, for North to send him a signal. Is that your impression of the relationship between General Singlaub and Colonel North?

A-- There is no official or unofficial relationship with any member of the NSC staff regarding fund raising for the Nicaraguan democratic opposition. This includes the alleged relationship with General Singlaub.

The underscored answer was false, fictitious and fraudulent because in truth and in fact, as the defendant NORTH then and there well knew and believed, among other things, the defendant NORTH had relationships regarding fund raising for the Contras with John K. Singlaub, NEPL and individuals

associated with NEPL, including Carl R. Channell, Richard R. Miller and Daniel L. Conrad.

(d) Q-- The Nicaraguan freedom fighters, in the last two months, are reported by the U.S. Embassy, Tegucigalpa, to have received a large influx of funds and equipment with some estimates of their value reaching as high as \$10 million or more. Do you know where they have obtained this assistance?

A-- No.

The underscored answer was false, fictitious and fraudulent because in truth and in fact, as the defendant NORTH then and there well knew and believed, among other things, the Contras had received as a result, in part, of efforts by the defendant NORTH, military equipment worth millions of dollars through John K. Singlaub and Richard V. Secord.

(Violation of Title 18, United States Code,
Sections 1001 and 2.)

COUNT EIGHT

(Obstruction of Congress by POINDEXTER
in July and August 1986)

The Grand Jury further charges:

1. Paragraphs 1 through 12 of Count One of this Indictment are repeated, realleged and incorporated by reference herein as if fully set forth at length.
2. On June 24, 1986, a resolution of inquiry, H. Res. 485, was introduced in the House of Representatives which, if adopted, would have directed the President to provide the House of Representatives certain information concerning the activities of Oliver L. North or any other member of the NSC staff in support of the Contras, including a complete list and description of any contact or other communication between North or any other member of the NSC staff with any private individual or any representative of a foreign government concerning the provision of funding or other assistance to the Contras, any document concerning the provision of such funding or assistance, and a complete list and description of any document concerning any contact or other communication, directly or through intermediaries, since July 28, 1983, between North or any other member of the NSC staff and any representative of the Contras, Robert W. Owen or John K. Singlaub. The resolution then was referred jointly to the House Committee on Foreign Affairs, the House Committee on

Armed Services and the House Permanent Select Committee on Intelligence ("HPSCI") for consideration.

3. On June 25 and July 1, 1986, the Chairmen of the House Committee on Foreign Affairs and HPSCI each wrote a letter, on behalf of his Committee, to the President attaching a copy of the proposed resolution of inquiry and requesting comments on the proposed resolution no later than July 22, 1986.

4. On July 21, 1986, the defendant JOHN M. POINDEXTER, on behalf of the President, wrote separate letters to the Chairmen of the House Committees on Foreign Affairs and Armed Services and HPSCI in which he expressed the Administration's strong opposition to the proposed resolution of inquiry.

5. The defendant JOHN M. POINDEXTER's letters to the Chairmen of the House Committee on Foreign Affairs and the Permanent Select Committee on Intelligence were identical in substance and stated as follows:

This is in reply to your letter to the President on June 25, 1986, requesting comments on H. Res. 485, relating to the allegations of improper activities by members of the National Security Council staff in support of the Nicaraguan resistance. The Administration strongly opposes enactment of the resolution.

Last fall, in an effort to cooperate with Chairman Barnes, my predecessor, Robert C. McFarlane, met with members of your committee and the Permanent Select Committee on Intelligence. While I did not participate in these discussions, I understand that information on the specific issues raised in H. Res. 485, was provided to your Committee and that this information made it clear that the actions of the National Security Council staff were in compliance

with both the spirit and letter of the law regarding support of the Nicaraguan resistance.

Thank you for the opportunity to comment on H. Res. 485. I have forwarded similar letters to Chairman Hamilton and Chairman Aspin and sincerely hope this matter can finally be put to rest.

6. The defendant JOHN M. POINDEXTER's letter to the Chairman of the House Committee on Armed Services attached copies of the other two letters and stated as follows:

I am writing to oppose H. Res. 485, a resolution of inquiry concerning allegations of improper activities of members of the staff of the National Security Council in support of the Nicaraguan resistance.

I understand the resolution has been referred jointly to your committee, the Committee on Foreign Affairs, and the Permanent Select Committee on Intelligence.

Attached for your information is a copy of the response provided to the Committee on Foreign Affairs which, along with the Intelligence Committee, requested comment.

Considerable information provided by this office exists in both committees, which answered all questions in some detail. You may wish to review that information to satisfy yourself that actions by the National Security Council staff have been and continue to be within the spirit as well as the letter of the law.

7. The three letters were false, fictitious, fraudulent and misleading because in truth and in fact, as the defendant POINDEXTER then and there well knew and believed, among other things, the 1985 letters and submissions were false and would not have been a truthful response to the 1986 inquiries.

8. In connection with the proposed resolution of inquiry, after the Chairman of HPSCI received the defendant JOHN M. POINDEXTER's letter, he requested, on behalf of the Committee, the opportunity to meet with and ask questions of Oliver L. North. On August 6, 1986, in accordance with arrangements made and approved by the defendant POINDEXTER, North met in the Situation Room of the White House with members and staff of HPSCI to answer questions concerning his activities with respect to the Contras and his contacts with Robert W. Owen and John K. Singlaub.

9. In the course of that meeting, Oliver L. North made certain false, fictitious, fraudulent, and misleading statements and representations intended to obstruct the Committee's inquiry as follows: that North had not given military advice to the Contras, had no knowledge of any specific military action conducted by the Contras, had not had contact with John K. Singlaub for the previous twenty months, had not raised funds in support of the Contras, had not advised or guided Robert W. Owen with respect to the Contras, and had only casual contact with Owen.

10. On August 11, 1986, after Oliver L. North's meeting with members and staff of HPSCI and after having been advised of statements made by North in the course of the meeting, the defendant JOHN M. POINDEXTER sent a message to North which stated, "Well done," notwithstanding that as the defendant POINDEXTER then and there well knew and believed the statements

and representations of North were false, fictitious, fraudulent and misleading.

11. From July 21, 1986 to August 6, 1986, in the District of Columbia, the defendant JOHN M. POINDEXTER unlawfully, willfully and knowingly did corruptly influence, obstruct and impede and endeavor to influence, obstruct and impede the due and proper exercise of the power of inquiry under which inquiries and investigations were being had by committees of Congress, to wit, the consideration of a proposed resolution of inquiry by HPSCI and the House of Representatives Committees on Foreign Affairs and Armed Services, by making and causing to be made false, fictitious, fraudulent and misleading statements and representations to those committees of Congress for the purpose of concealing and causing to be concealed material facts.

(Violation of Title 18, United States Code,
Sections 1505 and 2.)

COUNT NINE

(Obstruction of Congress by NORTH
in August 1986)

The Grand Jury further charges:

1. Paragraphs 1 through 12 of Count One and Paragraphs 2 through 7 of Count Eight of this Indictment are repeated, realleged and incorporated by reference herein as if fully set forth at length.

2. In connection with the proposed resolution of inquiry, after the Chairman of HPSCI received John M. Poindexter's letter, he requested, on behalf of the Committee, the opportunity to meet with and ask questions of the defendant OLIVER L. NORTH. On August 6, 1986, in accordance with arrangements made and approved by Poindexter, the defendant NORTH met in the Situation Room of the White House with members and staff of HPSCI to answer questions concerning his activities with respect to the Contras and his contacts with Robert W. Owen and John K. Singlaub.

3. In the course of that meeting, the defendant OLIVER L. NORTH made certain false, fictitious, fraudulent, and misleading statements and representations intended to obstruct the Committee's inquiry as follows: that the defendant NORTH had not given military advice to the Contras, had no knowledge of any specific military action conducted by the Contras, had not had contact with John K. Singlaub for the previous twenty months, had not raised funds in support of the Contras, had not

advised or guided Robert W. Owen with respect to the Contras, and had only casual contact with Owen.

4. Those statements and representations were false, fictitious, fraudulent, and misleading because in truth and in fact, as the defendant OLIVER L. NORTH then and there well knew and believed, among other things, the defendant NORTH had given military advice to the Contras, had knowledge of specific military actions conducted by the Contras, had had contact with John K. Singlaub within the previous twenty months, had raised funds in support of the Contras, had advised and guided Robert W. Owen with respect to the Contras, and had had frequent contact with Owen.

5. On August 6, 1986, in the District of Columbia, the defendant OLIVER L. NORTH unlawfully, willfully and knowingly did corruptly influence, obstruct and impede and endeavor to influence, obstruct and impede the due and proper exercise of the power of inquiry under which inquiries and investigations were being had by committees of Congress, to wit, the consideration of a proposed resolution of inquiry by HPSCI and the House of Representatives Committees on Foreign Affairs and Armed Services, by making and causing to be made false, fictitious, fraudulent and misleading statements and representations to those committees of Congress for the purpose of concealing and causing to be concealed material facts.

(Violation of Title 18, United States Code,
Section 1505.)

COUNT TEN

(Obstruction of Congress by POINDEXTER
in November 1986)

The Grand Jury further charges:

1. Paragraphs 1 through 12 of Count One of this Indictment are repeated, realleged and incorporated herein as if fully set forth in this Count.

2. In early November 1986, reports appeared in the foreign and domestic press that the United States Government had participated in the shipment of arms to Iran.

3. Following those reports, committees of Congress, including the House of Representatives Permanent Select Committee on Intelligence ("HPSCI") and the Senate Select Committee on Intelligence ("SSCI"), requested that certain officials of the Executive Branch, including the defendant JOHN M. POINDEXTER and William J. Casey, the Director of Central Intelligence, appear before the committees concerning the participation of the United States Government in the shipment of arms to Iran.

4. During November 1986, in preparation for the appearances of the defendant JOHN M. POINDEXTER and the Director of Central Intelligence before HPSCI and SSCI, the defendant POINDEXTER participated in the preparation of a false and misleading chronology of events relating to United States Government knowledge of and involvement in the sale of arms to Iran, which, in its final version, falsely and misleadingly

stated that no official of the United States Government learned before January 1986 that Hawk missiles had been shipped to Iran in November 1985.

5. On November 21, 1986, in the White House Situation Room, the defendant JOHN M. POINDEXTER appeared before HPSCI and made false, fictitious, fraudulent and misleading statements and representations, as follows: that the defendant POINDEXTER did not learn until January 1986 that Hawk missiles had been shipped to Iran in November 1985 and that the defendant POINDEXTER had not learned until November 20, 1986 that anyone in the United States Government had prior knowledge of the shipment of Hawk missiles to Iran in November 1985.

6. On November 21, 1986, the defendant JOHN M. POINDEXTER appeared before the Chairman and Vice Chairman of SSCI, acting on behalf of the Committee, and made a false, fictitious, fraudulent and misleading statement and representation, as follows: that the defendant POINDEXTER had not learned until January 1986 that Hawk missiles had been shipped to Iran in November 1985.

7. The statements and representations made by the defendant JOHN M. POINDEXTER to HPSCI and SSCI were false, fictitious, fraudulent and misleading because in truth and in fact, as the defendant POINDEXTER then and there well knew and believed, among other things, the defendant POINDEXTER was advised by Oliver L. North, at least as early as November 20, 1985, in advance of the shipment of Hawk missiles to Iran,

that such a shipment was about to take place and was further advised by North, in late November and December 1985, that a shipment of Hawk missiles had, indeed, been transported to Iran.

8. Between November 22, 1986 and November 29, 1986, the defendant JOHN M. POINDEXTER deleted from his file in the memory of one of the NSC computer systems all the stored messages contained in that system that had been sent or received by the defendant POINDEXTER.

9. From early November 1986 to November 24, 1986, in the District of Columbia, the defendant JOHN M. POINDEXTER unlawfully, willfully and knowingly did corruptly influence, obstruct and impede and endeavor to influence, obstruct and impede the due and proper exercise of the power of inquiry under which inquiries and investigations were being had by committees of Congress, to wit, HPSCI and SSCI, into the participation of the United States Government in the shipment of arms to Iran by participating in the preparation of a false and misleading chronology of events, making and causing to be made false, fictitious, fraudulent and misleading statements and representations to those committees of Congress, and deleting messages from the NSC computer system, all for the purpose of concealing and causing to be concealed material facts.

(Violation of Title 18, United States Code,
Sections 1505 and 2.)

COUNT ELEVEN

(False Statements by POINDEXTER on November 21, 1986)

The Grand Jury further charges:

1. Paragraphs 1 through 12 of Count One and Paragraphs 2 and 3 of Count Ten of this Indictment are repeated, realleged and incorporated herein as if fully set forth in this Count.

2. On November 21, 1986, in the District of Columbia, the defendant JOHN M. POINDEXTER unlawfully, willfully and knowingly made and caused to be made material false, fictitious and fraudulent statements and representations to a department and agency of the United States, to wit, HPSCI, a committee of Congress, in a matter within its jurisdiction, to wit, intelligence aspects of United States Government participation in the sale of arms to Iran, as follows: that the defendant POINDEXTER did not learn until January 1986 that Hawk missiles had been shipped to Iran in November 1985 and that the defendant POINDEXTER had not learned until November 20, 1986 that anyone in the United States Government had prior knowledge of the shipment of Hawk missiles to Iran in November 1985.

3. Those statements and representations were false, fictitious and fraudulent because in truth and in fact, as the defendant JOHN M. POINDEXTER then and there well knew and believed, among other things, the defendant POINDEXTER was advised by Oliver L. North, at least as early as November 20, 1985, in advance of the shipment of Hawk missiles to Iran, that

such a shipment was about to take place and was further advised by North, in late November and December 1985, that a shipment of Hawk missiles had, indeed, been transported to Iran.

(Violation of Title 18, United States Code,
Section 1001.)

COUNT TWELVE

(False Statement by POINDEXTER on November 21, 1986)

The Grand Jury further charges:

1. Paragraphs 1 through 12 of Count One and Paragraphs 2 and 3 of Count Ten of this Indictment are repeated, realleged and incorporated herein as if fully set forth in this Count.

2. On November 21, 1986, in the District of Columbia, the defendant JOHN M. POINDEXTER unlawfully, willfully, and knowingly made and caused to be made a material false, fictitious and fraudulent statement and representation to a department and agency of the United States, to wit, the Senate Select Committee on Intelligence, a committee of Congress, in a matter within its jurisdiction, to wit, intelligence aspects of United States Government participation in the sale of arms to Iran, as follows: that the defendant POINDEXTER had not learned until January 1986 that Hawk missiles had been shipped to Iran in November 1985.

3. That statement and representation was false, fictitious and fraudulent because in truth and in fact, as the defendant POINDEXTER then and there well knew and believed, among other things, in November and December 1985 the defendant

POINDEXTER was advised by Oliver L. North that such a shipment was about to take place and was further advised by North that a shipment had, indeed, been transported to Iran.

(Violation of Title 18, United States Code,
Section 1001.)

COUNT THIRTEEN

(Obstruction of Congress by NORTH in November 1986)

The Grand Jury further charges:

1. Paragraphs 1 through 12 of Count One of this Indictment are repeated, realleged and incorporated herein as if fully set forth in this Count

2. In early November 1986, reports appeared in the foreign and domestic press concerning the participation of the United States Government in the sale of arms to Iran.

3. On or about November 14, 1986, the Senate Select Committee on Intelligence ("SSCI") and the House of Representatives Permanent Select Committee on Intelligence ("HPSCI") gave notice to the CIA and other Executive Branch agencies and entities that the committees would be conducting hearings to inquire into the involvement of United States Government officials in the sale of arms to Iran and that the Director of Central Intelligence as well as other Executive branch officials, including John M. Poindexter, were requested to appear before the respective committees on November 21, 1986.

4. During November 1986, in preparation for the appearance of John M. Poindexter and the Director of Central Intelligence before SSCI and HPSCI, the defendant OLIVER L. NORTH participated in the preparation of a false and misleading chronology of events relating to United States Government

knowledge of and involvement in the shipment of arms to Iran, which, in its final version, falsely and misleadingly stated that no official of the United States Government learned before January 1986 that Hawk missiles had been shipped to Iran in November 1985.

5. From approximately November 21, 1986 to approximately November 25, 1986, the defendant OLIVER L. NORTH and others acting at his direction altered, destroyed, concealed and removed documents, records and papers of the NSC and its staff concerning the provision of aid and assistance to the Contras and the sale of arms to Iran.

6. From early November 1986 to on or about November 25, 1986, in the District of Columbia, the defendant OLIVER L. NORTH unlawfully, willfully and knowingly did corruptly influence, obstruct and impede and endeavor to influence, obstruct and impede the due and proper exercise of the power of inquiry under which inquiries and investigations were being had by committees of Congress, including the Senate Select Committee on Intelligence, the House of Representatives Permanent Select Committee on Intelligence and the House of Representatives Committee on Foreign Affairs, into the provision of aid and assistance to the Contras and the participation of the United States Government in the shipment of arms to Iran, by participating in the preparation of a false and misleading chronology of events and altering, destroying, concealing and removing documents, records and papers of the

NSC and its staff, all for the purpose of concealing and causing to be concealed material facts.

(Violation of Title 18, United States Code,
Sections 1505 and 2.)

COUNT FOURTEEN

(Obstruction of a Presidential Inquiry
by NORTH in November 1986)

The Grand Jury further charges:

1. Paragraphs 1 through 12 of Count One of this Indictment are repeated, realleged and incorporated herein as if fully set forth in this Count
2. In early November 1986, reports appeared in the foreign and domestic press concerning the participation of the United States Government in the sale of arms to Iran.
3. On or about November 14, 1986, the Senate Select Committee on Intelligence ("SSCI") and the House of Representatives Permanent Select Committee on Intelligence ("HPSCI") gave notice to the CIA and other Executive Branch agencies and entities that the committees would be conducting hearings to inquire into the involvement of United States Government officials in the sale of arms to Iran and that the Director of Central Intelligence as well as other Executive branch officials, including John M. Poindexter, were requested to appear before the respective committees on November 21, 1986.
4. On November 21, 1986, the President directed the Attorney General to conduct a fact-finding inquiry to determine in advance of further congressional testimony by officials of the Executive Branch the involvement of the United States

Government and its officers and employees in the shipment of arms to Iran.

5. On November 23, 1986, at the request of the Attorney General, whose subordinates at that time had discovered, in the course of the fact-finding inquiry for the President, a document at the NSC suggesting that proceeds of the sale of arms to Iran by the United States had been diverted to the Contras, the defendant OLIVER L. NORTH met at the Department of Justice with the Attorney General and other officials of the Department of Justice to answer questions with respect to the inquiry.

6. During the course of that meeting, the defendant OLIVER L. NORTH made false, fictitious, fraudulent and misleading statements and representations to the Attorney General, as follows: that the NSC had no involvement in the diversion to the Contras of the proceeds from the sale of arms to Iran; that the Israelis determined how much of the proceeds from the arms sales were diverted to the Contras; and that the defendant NORTH had advised Adolfo Calero to open bank accounts in Switzerland to receive the monies from Israel diverted from the sale of arms to Iran.

7. Those statements and representations were false, fictitious, fraudulent and misleading because in truth and in fact, as the defendant OLIVER L. NORTH then and there well knew and believed, among other things, the defendant NORTH and others at the NSC had undertaken activities intended to

generate a differential between the price paid by Iran for the arms and the price paid to the United States Government for those arms so that monies were available to be diverted to the Contras, the diverted monies were transferred to and disbursed from bank accounts controlled by the defendant NORTH and others acting in concert with him rather than bank accounts controlled by Adolfo Calero or the Contras, and the defendant NORTH had not advised Adolfo Calero to open Swiss bank accounts to receive proceeds from the sale of arms to Iran.

8. From approximately November 21, 1986 to approximately November 25, 1986, the defendant OLIVER L. NORTH and others acting at his direction altered, destroyed, concealed and removed documents, records and papers of the NSC and its staff concerning the provision of aid and assistance to the Contras and the sale of arms to Iran.

9. From early November 1986 to on or about November 25, 1986, in the District of Columbia, the defendant OLIVER L. NORTH unlawfully, willfully and knowingly did corruptly influence, obstruct and impede and endeavor to influence, obstruct and impede the due and proper administration of the law under which a pending proceeding was being had before a department and agency of the United States, to wit, the Attorney General's conduct of a fact-finding inquiry at the direction of the President into the participation of the United States Government in the shipment of arms to Iran, by making false, fictitious, fraudulent and misleading statements and

representations to the Attorney General and altering, destroying, concealing and removing documents, records and papers of the NSC and its staff, all for the purpose of concealing and causing to be concealed material facts.

(Violation of Title 18, United States Code,
Sections 1505 and 2.)

COUNT FIFTEEN

(False Statements by NORTH on November 23, 1986)

The Grand Jury further charges:

1. Paragraphs 1 through 12 of Count One and Paragraphs 2 through 4 of Count Fourteen of this Indictment are repeated, realleged and incorporated herein as if fully set forth in this Count.
2. On November 23, 1986, at the request of the Attorney General, whose subordinates at that time had discovered a document at the NSC suggesting that proceeds of the sale of arms to elements in Iran by the United States had been diverted to the Contras, the defendant OLIVER L. NORTH met at the Department of Justice with the Attorney General and other officials of the Department of Justice to answer questions with respect to the inquiry.
3. On November 23, 1986, in the District of Columbia, the defendant OLIVER L. NORTH unlawfully, willfully and knowingly made and caused to be made material false, fictitious and fraudulent statements and representations to a department and agency of the United States, to wit, the Attorney General acting on behalf of the President, in a matter within its jurisdiction, to wit, a fact-finding inquiry to determine in advance of further congressional testimony of officials of the Executive Branch the involvement of the United States Government in the sale of arms to elements in Iran, as follows:

that the NSC had no involvement in the diversion to the Contras of the proceeds from the sale of arms to elements in Iran; that the Israelis determined how much of the proceeds from the arms sales were diverted to the Contras; and that the defendant NORTH had advised Adolfo Calero to open bank accounts in Switzerland to receive the monies from Israel diverted from the sale of arms to elements in Iran.

4. Those statements and representations were false, fictitious and fraudulent because in truth and in fact, as the defendant OLIVER L. NORTH then and there well knew and believed, among other things, the defendant NORTH and others at the NSC had undertaken activities intended to generate a differential between the price paid on behalf of elements in Iran for the arms and the price transmitted to the United States Government for those arms so that monies were available to be diverted to the Contras, the diverted monies were transferred to and disbursed from bank accounts controlled by the Enterprise rather than bank accounts controlled by Adolfo Calero or the Contras, and the defendant NORTH had not advised Adolfo Calero to open Swiss bank accounts to receive proceeds from the sale of arms to elements in Iran.

(Violation of Title 18, United States Code,
Section 1001.)

COUNT SIXTEEN

(Concealing, Removing, Mutilating, Obliterating,
Falsifying and Destroying Official Documents by NORTH)

The Grand Jury further charges:

1. Paragraphs 1 through 12 of Count One of this Indictment are repeated, realleged and incorporated herein as if fully set forth in this Count.

2. The NSC, as an entity of the Executive Branch, published and disseminated to its staff an Administrative Manual that set forth procedures to ensure that documentary materials received or developed by an employee, detailee or consultant during his tenure on the NSC staff were treated as official records and were neither removed nor destroyed. To this end, the NSC Secretariat maintained a three-tiered system of records management that logged, tracked and controlled the dissemination of documents received or created at the NSC. The regulations of the NSC required that the originals of classified and logged documents be deposited and maintained in the central files of the NSC Secretariat.

3. Between approximately the middle of November 1986 and approximately November 25, 1986, in the District of Columbia, the defendant OLIVER L. NORTH, having custody of records, papers and documents of the NSC, unlawfully, willfully and knowingly did conceal, remove, mutilate, obliterate, falsify and destroy and did cause to be concealed, removed, mutilated, obliterated, falsified and destroyed records, papers and

documents filed and deposited in a public office, to wit, records of the NSC and its staff, including but not limited to original logged and classified documents from the central files of the NSC Secretariat, concerning the provision of aid and assistance to the Contras and the sale of arms to elements in Iran.

(Violation of Title 18, United States Code,
Sections 2071(b) and 2.)

COUNT SEVENTEEN

(Conspiracy by SECORD and HAKIM to Pay
Illegal Gratuities to North)

The Grand Jury further charges:

1. Paragraphs 1 through 12 of Count One of this Indictment are repeated, realleged and incorporated herein as if fully set forth in this Count.

2. At all times relevant to this Indictment, Willard Zucker was a United States citizen working in Geneva, Switzerland, who managed bank accounts and financial matters for the defendants RICHARD V. SECORD and ALBERT HAKIM through an entity known as Compagnie de Services Fiduciaires S.A. ("CSF").

3. From approximately late 1985 to approximately the end of 1986, in the District of Columbia and elsewhere, the defendants RICHARD V. SECORD and ALBERT HAKIM, and others known and unknown to the Grand Jury, unlawfully, willfully and knowingly did combine, conspire, confederate and agree together and with each other to commit offenses against the United States, to wit, the offering, promising and paying of illegal gratuities to Oliver L. North, a United States Government official, in violation of Title 18, United States Code, Section 201(f) (recodified effective December 10, 1986 as Title 18, United States Code, Section 201(c)(1)(A)).

4. It was an object of the conspiracy to offer, promise and give things of value to Oliver L. North and his family to

encourage North to continue in his position on the staff of the NSC so that the defendants RICHARD V. SECORD and ALBERT HAKIM would continue to receive opportunities for substantial revenues and profits in connection with lucrative activities referred to them by North and facilitated by him, in his official capacity, including activities related to the support of military and paramilitary operations in Nicaragua by the Contras and activities related to the government-sponsored Iran initiative.

5. It was a further object of the conspiracy to conceal and cover up the conspirators' efforts to provide Oliver L. North with things of value.

OVERT ACTS

6. The following overt acts, among others, were knowingly committed and caused to be committed, in the District of Columbia and elsewhere, by the defendants RICHARD V. SECORD and ALBERT HAKIM and their co-conspirators in furtherance of the conspiracy and to effect the objects thereof:

(1) On March 6, 1986, in Philadelphia, Pennsylvania, Willard Zucker met with Oliver L. North's wife, Elizabeth North.

(2) On May 5, 1986, at the OEOB in Washington, D.C., the defendant RICHARD V. SECORD met with Oliver L. North and an individual named Glenn Robinette.

(3) On May 10, 1986, at the offices of STTGI in Vienna, Virginia, the defendant RICHARD V. SECORD met with Oliver L. North and Glenn Robinette.

(4) On May 14, 1986, in Geneva, Switzerland, the defendant ALBERT HAKIM met with Willard Zucker.

(5) On May 20, 1986, in Geneva, Switzerland, the defendant ALBERT HAKIM caused an investment account in the name of "B. Button" funded in the amount of \$200,000 to be opened and maintained at CSF.

(6) On or about May 20, 1986, in Vienna, Virginia, the defendant RICHARD V. SECORD gave \$7,000 in cash to Glenn Robinette.

(7) In May and June 1986, in Great Falls, Virginia, Glenn Robinette caused a security system to be installed at the residence of Oliver L. North.

(8) On June 4, 1986, in Philadelphia, Pennsylvania, Willard Zucker placed a telephone call to Elizabeth North in Great Falls, Virginia.

(9) On August 20, 1986, the defendant RICHARD V. SECORD caused a check to be issued in New York, New York, to the order of Glenn Robinette in the amount of \$9,000.

(10) In the late summer or early fall of 1986, in Washington, D.C., David Lewis, an attorney, received a telephone call from Willard Zucker.

(11) On October 9 and 10, 1986, in Geneva, Switzerland, Willard Zucker met with David Lewis.

(12) In December 1986, in Washington, D.C., Glenn Robinette sent two letters in one envelope to Oliver L. North.

(13) In December 1986, in Vienna, Virginia, the defendant RICHARD V. SECORD met with Glenn Robinette.

(Violation of Title 18, United States Code, Section 371.)

COUNT EIGHTEEN

(Offer of an Illegal Gratuity
by SECORD and HAKIM to North:
Financial Assistance for Education
of North's Children)

The Grand Jury further charges:

1. Paragraphs 1 through 12 of Count One of this Indictment are repeated, realleged and incorporated herein as if fully set forth in this Count.
2. During the first half of 1986, in the District of Columbia and elsewhere, the defendants RICHARD V. SECORD and ALBERT HAKIM unlawfully, willfully, knowingly and otherwise than provided by law for the proper discharge of official duty, directly and indirectly, did give, offer and promise to Oliver L. North, a United States Government official, a thing of value, to wit, financial assistance for the education of North's children, for or because of official acts performed and to be performed by North, to wit, the referral by North of activities to the defendants SECORD and HAKIM and the facilitation by North of those activities, in his official capacity, including activities related to the support of military and paramilitary operations in Nicaragua by the Contras and the government-sponsored Iran initiative.

(Violation of Title 18, United States Code,
Sections 201(f) (recodified effective December 10, 1986
as Title 18, United States Code, Section 201
(c)(1)(A)) and 2.)

COUNT NINETEEN

(Payment of an Illegal Gratuity by SECORD
to North: The Security System)

The Grand Jury further charges:

1. Paragraphs 1 through 12 of Count One of this Indictment are repeated, realleged and incorporated herein as if fully set forth in this Count.

2. In the spring and summer of 1986, in the District of Columbia and elsewhere, the defendant RICHARD V. SECORD unlawfully, willfully, knowingly and otherwise than provided by law for the proper discharge of official duty, directly and indirectly, did give, offer and promise a thing of value, to wit, a security system valued at approximately \$13,800, to Oliver L. North, a United States Government official, for or because of official acts performed and to be performed by North, to wit, the referral by North of activities to the defendant SECORD and Albert Hakim and the facilitation by North of those activities, in his official capacity, including activities related to the support of military and paramilitary operations in Nicaragua by the Contras and the government-sponsored Iran initiative.

(Violation of Title 18, United States Code,
Sections 201(f) (recodified effective December 10, 1986
as Title 18, United States Code, Section 201
(c)(1)(A)) and 2.)

COUNT TWENTY

(Receipt of an Illegal Gratuity by NORTH
from Secord: The Security System)

The Grand Jury further charges:

1. Paragraphs 1 through 12 of Count One of this Indictment are repeated, realleged and incorporated herein as if fully set forth in this Count.

2. In the spring and summer of 1986, in the District of Columbia and elsewhere, the defendant OLIVER L. NORTH, a United States Government official, unlawfully, willfully and knowingly and otherwise than as provided by law for the proper discharge of official duty, directly and indirectly, did accept, receive and agree to receive a thing of value personally and for himself, to wit, a security system at his residence valued at approximately \$13,800, from Richard V. Secord, for and because of official acts performed and to be performed by the defendant NORTH in his official capacity, to wit, the referral by the defendant NORTH of activities to Secord and Albert Hakim and his facilitation of those activities, including activities related to the support of military and paramilitary operations in Nicaragua by the Contras and the government-sponsored Iran initiative.

(Violation of Title 18, United States Code,
Sections 201(g) (recodified effective December 10, 1986
as Title 18, United States Code, Section
201(c)(1)(B)) and 2.)

COUNT TWENTY-ONE

(Obstruction of Justice by NORTH:
The Security System)

The Grand Jury further charges:

1. Paragraphs 1 through 12 of Count One of this Indictment are repeated, realleged and incorporated herein as if fully set forth in this Count.

2. In December 1986, in the District of Columbia and elsewhere, the defendant OLIVER L. NORTH unlawfully, willfully and knowingly did corruptly influence, obstruct and impede and endeavor to influence, obstruct and impede the due administration of justice, to wit, the defendant NORTH, in anticipation of and during an investigation by the Federal Bureau of Investigation, the Independent Counsel and the grand jury, created and caused to be created false and fraudulent documents relating to the defendant NORTH's receipt of a security system, in order to conceal and cover up the true circumstances surrounding the defendant NORTH's receipt of the security system and the fact that the security system was provided to the defendant NORTH by Richard V. Secord as an illegal gratuity.

(Violation of Title 18, United States Code,
Sections 1503 and 2.)

COUNT TWENTY-TWO

(Conversion of Traveler's Checks by NORTH)

The Grand Jury further charges:

1. Paragraphs 1 through 12 of Count One of this Indictment are repeated, realleged and incorporated herein as if fully set forth in this Count.
2. From in or about February 1985 to in or about August 1985, the defendant OLIVER L. NORTH received in excess of \$90,000 in traveler's checks from Adolfo Calero, a leader of the Contras, on the representation and understanding that the traveler's checks would be used to support efforts to obtain the release of American citizens held hostage in Lebanon and for Contra-related expenses.
3. From April 1985 to July 1986, the defendant OLIVER L. NORTH used and caused to be used at least \$4,300 of those traveler's checks for his own personal purposes and expenditures.
4. From April 1985 to July 1986, in the District of Columbia and elsewhere, the defendant OLIVER L. NORTH, being an employee of the United States, unlawfully, willfully and knowingly embezzled and wrongfully converted to his own use the money or property of another, to wit, approximately \$4,300 in traveler's checks the defendant NORTH received from Adolfo Calero, which came into his possession and under his control in

the execution of his public office and under color and claim of his authority as an employee of the NSC.

(Violation of Title 18, United States Code,
Section 654.)

COUNT TWENTY-THREE

(Conspiracy by NORTH and Others to Defraud the United States,
the Department of the Treasury and the IRS)

The Grand Jury further charges:

1. Paragraphs 1 through 12 of Count One of this Indictment are repeated, realleged and incorporated by reference herein as though fully set forth at length.

INTRODUCTION

2. At all times relevant to this Indictment, the National Endowment for the Preservation of Liberty ("NEPL") was a corporation established under the non-profit corporation law of the District of Columbia. On December 12, 1984, the United States Internal Revenue Service (the "IRS") had granted NEPL an exemption from federal income taxation, pursuant to Section 501(c)(3) of the Internal Revenue Code, thereby permitting NEPL to solicit and obtain contributions that could be taken as charitable deductions on its contributors' federal income tax returns, pursuant to Section 170(a)(1) of the Internal Revenue Code. The granting of that exemption by the IRS was based, in part, on the representation by NEPL in its application for the exemption and in its supporting materials that it was organized, operated and to be operated exclusively as a non-profit, educational and charitable organization devoted to the study, analysis and evaluation of the American socio-economic and political system and that contributions to NEPL would be

used solely for those purposes. At all times relevant to this Indictment, Carl R. Channell was the President of NEPL and its chief operating officer, and Daniel L. Conrad was the Executive Director of NEPL and functioned as Channell's deputy.

3. At all times relevant to this Indictment, International Business Communications ("IBC") was a public relations firm located in Washington, D.C., and Richard R. Miller was a principal of IBC.

THE CONSPIRACY AND
ITS OBJECTS

4. From the spring or summer of 1985 to the date of the filing of this Indictment, in the District of Columbia and elsewhere, the defendant OLIVER L. NORTH, and others known and unknown to the Grand Jury, unlawfully, willfully and knowingly did combine, conspire, confederate and agree together and with each other to defraud the United States of America, the Treasury of the United States and the IRS by impeding, impairing, defeating and obstructing the lawful governmental functions of the IRS in the ascertainment, evaluation, assessment and collection of income taxes.

5. It was an object of the conspiracy to defraud and deprive the IRS and the Treasury of the United States of revenue to which it was entitled by using NEPL, an organization exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code and applicable regulations, for an improper purpose, namely, to solicit contributions to purchase

military and other types of non-humanitarian aid for the Contras.

6. It was a further object of the conspiracy to defraud and deprive the IRS and the Treasury of the United States of revenue to which it was entitled by inducing contributors to contribute monies to NEPL on the false representation that such contributions would be tax-deductible when, in truth and in fact, such contributions were not deductible since they were to be used for a non-exempt, non-deductible purpose, namely, to purchase military and other types of non-humanitarian aid for the Contras.

7. It was a further object of the conspiracy to have the Treasury of the United States subsidize the purchase of military and other types of non-humanitarian aid in support of military and paramilitary operations by the Contras by raising money for such aid through purportedly tax-deductible contributions to NEPL at a time when the prohibitions of the Boland Amendment were in effect.

THE MEANS OF THE CONSPIRACY

8. In the spring of 1985, in order to support military and paramilitary activities in Nicaragua by the Contras, the defendant OLIVER L. NORTH began raising money through NEPL. He and his co-conspirators arranged for NEPL to sponsor briefings concerning the status of the war in Nicaragua and the needs of the Contras for groups of prospective contributors to NEPL at

the White House and the OEOB. Following these briefings the defendant NORTH and his co-conspirators held meetings at the Hay-Adams Hotel, Washington, D.C., at which prospective contributors to NEPL were directly solicited to make purportedly tax-deductible contributions to NEPL for financial and other material aid to the Contras.

9. The conspirators also arranged, as a further means of inducing contributions to NEPL for the Contras, private meetings between prospective contributors and the defendant OLIVER L. NORTH at the defendant NORTH's office in the OEOB, at the Hay-Adams Hotel, and elsewhere, at which the defendant NORTH provided briefings to contributors explaining the military and paramilitary needs of the Contras. Prior to some of these private briefings, the defendant NORTH was advised by his co-conspirators of the amount of money that would be solicited from a particular contributor immediately following the private meeting. These private briefings included, from time to time, a discussion by the defendant NORTH of the need for money for aircraft and specific lethal military weapons and equipment and the cost of each specific item. At the time of these private briefings, the defendant NORTH well knew that the contributors to whom he provided these private briefings would be solicited directly thereafter by his co-conspirators for contributions to purchase the specified aircraft and lethal military weapons and equipment and other items.

10. Immediately following these private briefings by the defendant OLIVER L. NORTH, officers, employees and associates of NEPL, including Carl R. Channell and others, solicited purportedly tax-deductible contributions from prospective contributors to NEPL, based on the specific needs and costs described to the contributors by the defendant NORTH.

11. The defendant OLIVER L. NORTH traveled outside of Washington, D.C., to meet prospective contributors to NEPL and discuss the specific military and paramilitary needs of the Contras.

12. The defendant OLIVER L. NORTH prepared and helped prepare lists of military and other needs of the Contras to be used in solicitations of prospective NEPL contributors. The defendant NORTH provided to his co-conspirators the prices of specific military weapons, including SAM-7 missiles, Blowpipe missiles and C-4 plastic explosives, and other equipment, including aircraft, so that prospective NEPL contributors could be solicited to help purchase those items.

13. The defendant OLIVER L. NORTH thanked in person and by telephone individuals who had made contributions to NEPL to support the military and paramilitary operations of the Contras. The defendant NORTH also wrote acknowledgements on official NSC stationery to contributors to NEPL thanking them for their support for the Contras. In addition, the conspirators and others arranged for a number of individuals who had made substantial contributions to the Contras through

NEPL to have White House meetings and photograph opportunities with the President.

14. From the fall of 1985 to December 1986, the defendant OLIVER L. NORTH controlled the disposition of funds raised for the Contras by NEPL.

15. In order to disguise the fact that NEPL, a 501(c)(3) organization, was the source of monies to purchase military and other types of non-humanitarian aid for the Contras, and in order to conceal the role of the defendant OLIVER L. NORTH in controlling the distribution of the funds raised through NEPL, the conspirators arranged for such monies to be transferred from NEPL to IBC and then to foreign corporate bank accounts in the Cayman Islands and Switzerland controlled by the defendant NORTH before they were distributed to the ultimate recipients. Between approximately June 1, 1985 and November 25, 1986, at direction of the defendant NORTH, NEPL transferred approximately \$3.2 million to IBC to aid the Contras, of which approximately \$1.7 million was transferred at the direction of the defendant NORTH to the bank account of Lake Resources.

16. From the \$3.2 million raised through NEPL purportedly for the Contras by the defendant OLIVER L. NORTH and his co-conspirators, the defendant NORTH directed that the following expenditures be made: over \$200,000 for the benefit of Mousalreza Abrahim Zadeh, a/k/a "Prince Al-Masoudi," \$75,000 for the Institute for Terrorism and Subnational Conflict to provide employment for the defendant NORTH's associate, Robert

W. Owen, and \$450,000 for World Affairs Counselors, Inc., an entity in the Cayman Islands controlled by Richard R. Miller, for the personal benefit of Miller and Francis D. Gomez in compensation for their assistance to the defendant NORTH in raising funds for the defendant NORTH and transferring those funds through foreign and domestic bank accounts.

OVERT ACTS

17. The following overt acts, among others, were knowingly committed and caused to be committed, in the District of Columbia and elsewhere, by the defendant OLIVER L. NORTH and his co-conspirators in furtherance of the conspiracy and to effect the objects thereof:

(1) In late May or early June 1985, in Washington, D.C., the defendant OLIVER L. NORTH placed a telephone call to Richard R. Miller requesting funds for the Contras.

(2) In June 1985, the defendant OLIVER L. NORTH and Richard R. Miller caused John Ramsey, a contributor to NEPL, to transfer \$10,000 by wire from Wichita Falls, Texas, to a Contra bank account.

(3) On June 27, 1985, at the OEOB, Washington, D.C., the defendant OLIVER L. NORTH presented a briefing relating to Nicaragua for prospective contributors to NEPL.

(4) On July 9, 1985, at the Hay-Adams Hotel, Washington, D.C., the defendant OLIVER L. NORTH met with Carl R. Channell, Daniel L. Conrad and Richard R. Miller.

(5) On September 11, 1985, in Dallas, Texas, the defendant OLIVER L. NORTH met with Carl R. Channell, Daniel L. Conrad and Nelson Bunker Hunt, a contributor to NEPL.

(6) On September 17, 1985, in Dallas, Texas, the defendant OLIVER L. NORTH, Carl Channell and Daniel L. Conrad caused Nelson Bunker Hunt to issue a check in the amount of \$237,500 payable to NEPL.

(7) On September 20, 1985, in Washington, D.C., the defendant OLIVER L. NORTH caused Richard Miller to transfer \$130,000 in NEPL funds from the bank account of IBC in Washington, D.C., to the bank account of Lake Resources in Geneva, Switzerland.

(8) On September 26, 1985, in Washington, D.C., the defendant OLIVER L. NORTH caused Richard R. Miller to transfer \$100,000 in NEPL funds from IBC to the bank account in the Cayman Islands of I.C. Inc., an entity controlled by Richard R. Miller, which funds were transferred subsequently to the bank account of Lake Resources in Geneva, Switzerland, at the direction of the defendant NORTH.

(9) On October 17, 1985, at the OEOB, Washington, D.C., the defendant OLIVER L. NORTH presented a briefing relating to Nicaragua for prospective contributors to NEPL.

(10) On October 18, 1985, at the OEOB, Washington, D.C., the defendant OLIVER L. NORTH met with Carl R. Channell and Patricia D. Beck, a contributor to NEPL.

(11) On October 18, 1985, in Washington, D.C., the defendant OLIVER L. NORTH and Carl R. Channell caused Patricia D. Beck to issue a check payable to NEPL in the amount of \$44,000.

(12) On or about November 1, 1985, in Washington, D.C., the defendant OLIVER L. NORTH caused Richard R. Miller to transfer \$150,000 in NEPL funds from the bank account of I.C. Inc. in the Cayman Islands to the bank account of Lake Resources in Geneva, Switzerland.

(13) On November 7, 1985, at the Hay-Adams Hotel, Washington, D.C., the defendant OLIVER L. NORTH met with Carl R. Channell, Richard R. Miller and Barbara Newington, a contributor to NEPL.

(14) In late November and early December 1985, the defendant OLIVER L. NORTH, Carl R. Channell and Richard R. Miller caused Barbara Newington to mail stock certificates valued at approximately \$1 million to NEPL in Washington, D.C.

(15) On November 21, 1985, at the OEOB, Washington, D.C., the defendant OLIVER L. NORTH presented a briefing relating to Nicaragua for prospective contributors to NEPL.

(16) On November 22, 1985, at the OEOB, Washington, D.C., the defendant OLIVER L. NORTH met with C. Thomas Clagett, Jr., a contributor to NEPL.

(17) On December 16, 1985, in Washington, D.C., the defendant OLIVER L. NORTH caused Richard R. Miller to transfer \$300,000 in NEPL funds from the bank account of IBC in

Washington, D.C., to the bank account of Lake Resources in Geneva, Switzerland.

(18) On January 16, 1986, in Washington, D.C., the defendant OLIVER L. NORTH and Carl R. Channell caused C. Thomas Clagett, Jr., to issue a check in amount of \$20,000 payable to NEPL.

(19) On or about January 21, 1986, in Washington, D.C., the defendant OLIVER L. NORTH caused Richard R. Miller to transfer \$360,000 in NEPL funds from the bank account of I.C. Inc. in the Cayman Islands to the bank account of Lake Resources in Geneva, Switzerland.

(20) On March 27, 1986, at the OEOB, Washington, D.C., the defendant OLIVER L. NORTH presented a briefing relating to Nicaragua for prospective contributors to NEPL.

(21) On March 28, 1986, at the Hay-Adams Hotel, Washington, D.C., the defendant OLIVER L. NORTH met with Carl R. Channell and William O'Boyle, a contributor to NEPL.

(22) On March 31, 1986, at the Hay-Adams Hotel, Washington, D.C., the defendant OLIVER L. NORTH and Carl R. Channell caused William O'Boyle to deliver a check in the amount of \$130,000 payable to NEPL.

(23) On April 11, 1986, at the Hay-Adams Hotel, Washington, D.C., the defendant OLIVER L. NORTH met with Carl R. Channell and Ellen Garwood, a contributor to NEPL.

(24) On April 11, 1986, the defendant OLIVER L. NORTH caused Richard R. Miller to transfer \$650,000 in NEPL funds

from the bank account of I.C. Inc. in the Cayman Islands to the bank account of Lake Resources in Geneva, Switzerland.

(25) On April 15, 1986, the defendant OLIVER L. NORTH and Carl R. Channell caused Ellen Garwood to transfer by wire \$470,000 from a bank account in Austin, Texas, to a NEPL bank account in Washington, D.C.

(26) On April 15, 1986, the defendant OLIVER L. NORTH and Carl R. Channell caused Ellen Garwood to transfer by wire stocks valued at approximately \$1.15 million from Austin, Texas, to NEPL's brokerage account in Washington, D.C.

(27) On May 19, 1986, the defendant OLIVER L. NORTH and Carl R. Channell caused Ellen Garwood to transfer by wire \$350,000 from a bank account in Austin, Texas, to a NEPL bank account in Washington, D.C.

(Violation of Title 18, United States Code,
Section 371.)

A TRUE BILL:

FOREPERSON

LAWRENCE E. WALSH
INDEPENDENT COUNSEL